# Congressional Record

## PROCEEDINGS AND DEBATES OF THE SIXTY-NINTH CONGRESS
## FIRST SESSION

### SENATE

SATURDAY, *April 24, 1926*

*(Legislative day of Monday, April 19, 1926)*

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

SETTLEMENT OF BELGIAN INDEBTEDNESS

Mr. SMOOT. Mr. President, I ask that the unfinished business may be laid before the Senate.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6774) to authorize the settlement of the indebtedness of the Government of the Kingdom of Belgium to the Government of the United States of America.

Mr. JOHNSON. Mr. President, will the Senator from Utah yield to me to present a report.

Mr. SMOOT. I yield to the Senator from California.

BOULDER CANYON PROJECT

Mr. JOHNSON. From the Committee on Irrigation and Reclamation I submit a report on the bill (S. 3331) to provide for the protection and development of the lower Colorado River basin, and I ask that the report (Rept. No. 654) be printed.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ASHURST. Mr. President, I hereby respectfully submit my individual views regarding the so-called Boulder Dam bill, and I request that same be printed.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ASHURST. I ask for a specific order for printing the same, as I have attached to my report some exhibits or appendixes. May I secure permission to print the same as other reports from committees are printed?

The VICE PRESIDENT. Without objection, it is so ordered. It will be printed as part 2 of Report No. 654.

Mr. JOHNSON. Does the Senator want to have it printed as a part of the majority report?

Mr. ASHURST. I wish to follow the usual practice. The majority report has been submitted by the Senator from California [Mr. JOHNSON]. Following the practice of the Senate, I have submitted my individual views on the bill.

The VICE PRESIDENT. It will be printed as part 2, but printed separately.

Mr. ASHURST. That is satisfactory.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. ASHURST. Mr. President, the Senator from California [Mr. JOHNSON] on yesterday reported the so-called Boulder Dam bill, Senate bill 3331. The Senate Committee on Irrigation and Reclamation, as disclosed by the RECORD of yesterday's proceedings, reported the bill favorably upon a vote of 12 yeas and 3 nays. In the Committee on Irrigation and Reclamation I made the point of order that the Senate committee had no power or authority to consider a bill introduced in the Senate which proposes to "raise revenue" and which thereby contravenes section 7 of Article I of the Constitution of the United States, which section, so far as the same relates to the mooted question, reads as follows:

> All bills for raising revenue shall originate in the House of Representatives; but the Senate may propose or concur with amendments as on other bills. * * *

There was discussion in the Senate Committee on Irrigation and Reclamation on the point of order. The Senate committee, without any vote or affirmative action, apparently reached the conclusion that the committee had no commission to pass upon the constitutionality of such a bill, as the Senate had not called upon this committee for any opinion upon this point. Therefore the committee withheld any action upon this question. It occurs to me that to be fair, and in order that I may not hereafter be deemed to be guilty of laches or delay, I should now serve notice, which I hereby do, that at an appropriate early date I intend to and shall make a point of order against that section or part of the bill, Senate bill S. 3331, the Boulder Canyon Dam bill, which section or provision, in my judgment, proposes to "raise revenue" by authorizing a bond issue, or by authorizing the further issuance and sale of bonds under statutes heretofore enacted.

I shall not at this time enter into a lengthy discussion of this point more than to say that there is, indeed, some expression of the Supreme Court of the United States which tends to support the view that raising money by the sale of Government bonds is not "raising revenue" within the purview of section 7 of Article I of the Constitution. It is also true that the Treasury Department holds that the issuance and sale of Government bonds is not "raising revenue."

Now, with that much underbrush cleared away, and with these frank statements on my part, I assert that neither the Supreme Court of the United States nor the Treasury Department is the eligible authority to pass upon or decide a question of parliamentary practice and privilege of that sort. The Constitution specifically says that there shall be an apportionment every 10 years, but no writ or process known to our law, no writ or process known to our Government or our polity could compel the House of Representatives to pass an apportionment bill.

The Supreme Court might indeed declare that a bill originating in the Senate proposing to issue and sell Government bonds was not "raising revenue," but no writ or process known to our law or our Government could compel the House of Representatives to accept, receive, and consider a bill sent to it by the Senate if the House of Representatives declared that the bill was one for "raising revenue." Indeed, Mr. President, on the question as to whether or not a bill "raises revenue" the House of Representatives is the judge and the final judge. What action this House would take upon this bill were the Senate to send this bill to the House, I have no doubt. Let me refer to the latest precedents upon this point. I now read from volume 54, part 5, CONGRESSIONAL RECORD of the Sixty-fourth Congress, second session. The Senate on March 2, 1917, had under consideration the naval appropriation bill passed by the House and sent to the Senate by the House, and whilst the bill was under consideration in the Senate, after some debate, the Senate added a provision, of which I shall read only the pertinent part:

> That the Secretary of the Treasury is hereby authorized to borrow on the credit of the United States, from time to time, such sums as may be necessary to meet expenditures directed by the President from the naval emergency fund and for expediting naval construction as provided in this act, not exceeding $150,000,000, or to reimburse the Treasury for such expenditures, and to prepare and issue therefor bonds of the United States in such form and subject to such terms and conditions as the Secretary of the Treasury may prescribe * * *.

The Senate adopted and agreed to that provision as an amendment to the naval appropriation bill, and when the bill with this amendment reached the House the House unanimously returned the bill to the Senate. Remember that this was on the 2d of March, 1917, just a short time before we entered the World War, when every moment was precious, when every motive was present that could induce Members of Congress to hurry and to waive what some might call peccadilloes; the House stood resolutely by the Constitution and refused to surrender its prerogatives. I read now from volume 54, part 5, page 4827, of the CONGRESSIONAL RECORD, Sixty-fourth Congress, second session:

> Mr. FITZGERALD. Mr. Speaker, ever since the beginning of the Republic the House has asserted its prerogative under the Constitution

to originate revenue bills. In my experince in the House upon several occasions the Senate has attempted to incorporate into various bills items providing for the raising of revenue either by taxation or by the issuance of bonds. The one great prerogative of the House of Representatives is the right to originate revenue bills, and however lowly this House has ever descended it has never yet yielded a single iota of that privilege. [Applause.] I hope, in this instance, the vote will be unanimous. It ought to be unanimous, Mr. Speaker, because this action has not been taken by the Senate without warning. Notice was given to those in charge of this bill to-day that this proposed amendment was an infringement of the prerogatives of the House; that it should not be incorporated in the bill; that if incorporated it should be eliminated; and that if it were incorporated in the bill the House would assert its prerogative and return the bill with such a message as is now proposed. In spite of that warning, and regardless of the constitutional provision, the Senate has sent this bill here in defiance of the warning given and in derogation of the rights of the House. There is nothing for us to do except to insist upon our constitutional prerogative and to follow the unbroken precedents of the Republic by sending this bill back to the Senate, so that they may eliminate the provision which infringes upon our privileges.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken.

The SPEAKER. The ayes have it. The vote is unanimous.

Moreover, Mr. President, in January, 1925, whilst the Senate was considering a bill increasing postal salaries and raising postal rates, the Senator from Virginia [Mr. SWANSON] made the point of order against that portion of the bill which proposed to increase the postal rates upon the ground that such was "raising revenue" and that, therefore, the Senate was not the eligible authority to originate such legislation. (See page 2274 of vol. 66, pt. 3, 68th Cong., 2d sess.)

After discussion on this point, the Senate, by 29 yeas to 50 nays, rejected the point of order and held that the Senate was an eligible authority to originate legislation increasing postal rates and that the increasing of postal rates was not "raising revenue." The bill went to the House of Representatives, and on February 3, 1925, the House of Representatives considered the bill, whereupon Mr. GREEN of Iowa made the following point of order, as shown at page 2941 of volume 66, part 3, Sixty-eighth Congress, second session:

Mr. GREEN of Iowa. Mr. Speaker, I rise to a question of the highest privilege, the privileges of the House, and offer a resolution which has been sent to the Clerk's desk.

The SPEAKER. The gentleman from Iowa offers a resolution, which the Clerk will report.

The Clerk read as follows:

"*Resolved*, That the bill S. 3674, in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution and is an infringement of the privileges of this House, and that the said bill be taken from the Speaker's table and be respectfully returned to the Senate with a message communicating this resolution."

Mr. President, the discussion in the House upon that point was exhaustive and learned. In my opinion every argument that could have been employed was employed. Each side supported its views with vigor, and I invite Senators to read the RECORD of that day, to wit, February 3, 1925. The House of Representatives then and there by a vote of 225 yeas to 153 nays held and decided that to increase postal rates—that is to say, to increase the charges and rates to be paid for the transmission of mail matter—was "raising revenue."

The House had the right, power, and authority to make such a decision, and it did make such a decision. Therefore before the Senate considers a bill of such vast importance as the bill just reported by the able and worthy Senator from California [Mr. JOHNSON] authorizing the issuance and sale of bonds in the sum of approximately $125,000,000, or authorizing the Secretary of the Treasury to issue and sell bonds under laws heretofore enacted, the Senate ought to consider as to whether we have the power to pass such a bill. Surely the Senate does not wish to issue a brutum fulmen—a harmless thunderbolt—by considering a provision which we are not eligible to act upon. I say all this now so that I shall not be charged in the Senate with having waived this point.

Moreover, I repeat I want to clear this discussion of the underbrush. I wish my philosophy of this question made manifest. Whoever discusses questions of law with the senior Senator from California [Mr. JOHNSON] or the junior Senator from California [Mr. SHORTRIDGE] will find himself hard put to answer the arguments they can make, because they are two of the ablest lawyers the State of California has produced.

I am not so vain as to imagine that I can vanquish either of them easily, or at all, unless I am clearly within the law and precedents. So I say again that the Supreme Court has apparently said that to provide for the issuance of bonds is not raising revenue. I say again that the Treasury Department has said that the issuance and sale of bonds is not "raising revenue"; but I also say again that neither the Supreme Court nor the Treasury Department is eligible to pass upon a parliamentary question of this sort. What is "raising revenue" is not so much a juridical question as it is a parliamentary or political question. I repeat that the Constitution requires an apportionment every 10 years; but no writ known to our law can compel the House of Representatives to pass an apportionment bill.

Mr. SHORTRIDGE. Mr. President——

Mr. ASHURST. Let me finish the sentence. No writ known to our law or our Constitution can compel the House of Representatives to accept a bill from the Senate if the House declares the same to be a bill for raising revenue. Now I yield to the Senator from California.

Mr. SHORTRIDGE. Mr. President, I have no doubt my learned friend has profound respect for the decisions of the Supreme Court of the United States.

Mr. ASHURST. I have.

Mr. SHORTRIDGE. We have the legislative department of the Government which enacts laws; we have the executive department which enforces laws; and we have the judicial department to interpret the laws which we enact, and also to interpret the meaning of the supreme law, namely, the Constitution of the United States. If the Supreme Court of the United States, interpreting the Constitution as it bears on this question in an appropriate case before it, should decide that a bill of this character is not one to raise revenue in the sense of that phrase as it appears in the Constitution, should not and would not the Senate, should not and would not the House, bow to and pay due respect to the decision of that high tribunal?

Mr. ASHURST. Does the Senator mean to ask me if such would be a constitutional law?

Mr. SHORTRIDGE. Would not such decision be an authoritative interpretation of the Constitution of the United States by which both Senate and House are bound?

Mr. ASHURST. Mr. President, in my judgment all bills for raising revenue shall originate in the House of Representatives. As a matter of practice, the House of Representatives alone determines whether a bill "raises revenue." Suppose the Senate sends to the House of Representatives a bill which the Senate declares does not raise revenue, but which the House of Representatives declares does raise revenue, I ask the learned Senator, is there any writ or process to compel the House of Representatives to accept such a bill?

Mr. SHORTRIDGE. I grant there is no writ known to the law that can compel the Senate or the House of Representatives to do this or that or the other thing; but we take a solemn oath, recorded yonder and some of us think it is recorded elsewhere, to obey the Constitution of the United States; and when the Supreme Court of the United States in a proper case before it interprets that supreme law, it is the Senator's duty and it is my duty to act accordingly. That is the position I take.

Mr. ASHURST. I do not admit that the Supreme Court has specifically said that; but I am willing, for the purpose of this argument, to say that the Supreme Court has said that the issuance of bonds is not raising revenue; I am willing to go that far to illustrate my point.

Mr. SHORTRIDGE. With great respect for the Senator by that admission, I think he has conceded away his whole case and is out of court, if I may use the language of the forum.

Mr. ASHURST. My point is, the Senate is not the tribunal to determine this question; neither is the Supreme Court; the House of Representatives is the tribunal.

At the proper time, when the bill is up, I shall insist upon my point of order.

Mr. SHORTRIDGE. I am not now going to discuss the merits of the point of order raised or comment on the argument of the Senator. I merely observe that if, as the Senator admits, the Supreme Court has decided the case, then it becomes and is the duty of both the Senate and the House to respect that decision.

Mr. ASHURST. In the committee the Senator from California [Mr. JOHNSON] read a strong case. I am not going to dodge or equivocate; but I say, no matter what the Supreme Court may say—and I say it respectfully—yonder Chamber, the House of Representatives, is the tribunal in which the founders of the Government and its Constitution lodged the authority and power to say what is raising revenue.

Mr. SHORTRIDGE. But the founders of the Constitution did not lodge in the House of Representatives the power to

interpret the Constitution of the United States and determine the point raised by the Senator; they vested the Supreme Court of the United States with that power.

Mr. ASHURST. It did give them that privilege on the question as to what is raising revenue.

Mr. SHORTRIDGE. No; it did not. The Constitution provides that "all bills for raising revenue shall originate in the House of Representatives," but it is within the power of the Supreme Court to interpret the Constitution, and, in a case properly before it, to decide what is and what is not a bill for raising revenue.

Mr. ASHURST. Is there any power in the Supreme Court or any court to compel the House to receive a bill from the Senate which the House says raises revenue?

Mr. SHORTRIDGE. No; there is not; if the House wants to be rebellious and to violate the Constitution, it may do so, but I am not going to do so; this Senate will not do so and the House will never intentionally do so.

Mr. ASHURST. Does the Senator say that the House is rebellious when it unanimously rejects a Senate bill providing for a bond issue at one time and later, only a year ago, after a most exhaustive debate, rejects one of the same nature?

Mr. SHORTRIDGE. Borrowing a word from a friend near by, if the House should act contrary to a plain decision of the Supreme Court, it would be unanimous rebellion.

Mr. ASHURST. "Unanimous rebellions" are the rebellions which succeed.

Mr. JOHNSON Mr. President, I will occupy the time of the Senate for just an instant. The very able Senator from Arizona has quite appropriately suggested a legal proposition upon which he relies in relation to the Boulder Dam project, concerning which the Committee on Irrigation and Reclamation has made a favorable report. That report has been filed this morning. The project, indeed, is the greatest constructive work that has been undertaken legislatively in this generation. Naturally, because of its extraordinary importance, I, of all people on earth, do not wish it halted by any parliamentary situation.

The presentation was made before the committee by the able Senator from Arizona of the point which he has just suggested to the Senate. There it was argued quite elaborately by him—not so elaborately by myself, but, at any rate, I presented the authorities that are extant upon it. The committee, I think, was practically unanimous in the view that it held of the law, although I do not speak by the book in saying that, because there was no vote upon the question. However, the answer to the Senator from Arizona is found in a two-fold aspect, to wit, first, the bill that is now before the Senate and that was favorably reported yesterday eliminates, in my opinion, the original question which was raised by him; and secondly, even if it does not, there is an unbroken line of decisions, which I presented to the committee upon the hearing of the matter, by the Supreme Court of the United States and principles laid down by every text writer, including Justice Story, and by every individual, indeed, who has construed the Constitution, holding that a measure of the sort did not come within the constitutional inhibition.

I grant, of course, that the House on some occasions has insisted upon its prerogative; no less has the Senate insisted upon its prerogative; and when the time shall arrive for the discussion of this matter I shall ask the Senate, if there be any question raised upon the matter at all, to insist upon the prerogative that the Senate has exercised from time immemorial, and to insist that that prerogative shall be observed by the other House. But, sir, I want to say that I apprehend no difficulty with the House of Representatives at all upon this measure. I apprehend no difficulty, because in reality the question that is suggested does not arise upon the bill which has been presented. However, like my friend from Arizona, I leave the matter of the argument upon all of the questions involved until the future time when he shall present his motion formally.

Mr. ASHURST. Mr. President, I ask unanimous consent to include in the CONGRESSIONAL RECORD my individual views on the Boulder Canyon Dam bill. They consist of two galleys of printed matter. I do not desire to have the exhibits printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The views of Mr. ASHURST (Rept. 654, pt. 2) are as follows:

Mr. ASHURST, from the Committee on Irrigation and Reclamation, submitted the following individual view, to accompany S. 3331:

The Colorado River is our most remarkable and dramatic river in its value for irrigation and hydroelectric energy. It combines concentration of fall, sites for power plants, reservoir sites for controlling the river flow, and a vast volume of water for irrigating several million acres of land.

Other rivers may be used, either for irrigation or for hydroelectric power, but no other river in the Western Hemisphere presents such enormous opportunity for the use of its waters for both irrigation and power.

In approaching the problems of a river so pregnant with possibilities for development, it is important that all the factors connected therewith—engineering and economic—should be fully evaluated and that expediency shall play no part therein.

It is the opinion of all experts that there is no surplus water in the Colorado River, therefore in any plan of developing that river extreme care should be exercised so that no practicable potentiality shall be needlessly sacrificed.

There exists now in some sections of the Colorado River Basin a demand for irrigation, hydroelectric power, and flood control, and whilst the development proposed by this bill is dazzling, nevertheless, a visualization of farms, fields, factories, towns, and cities yet to arise of which the Colorado River must be the alimentary canal is equally as important, hence no plan or scheme should be adopted which would forever preclude the possibility of a full use of all the water resources of the river.

Before many years shall have passed the demand for water within the Colorado River Basin will be as great, possibly greater, than the available supply; therefore it would be a tragic blunder were the initial dam placed at a point so far downstream as to preclude construction in the future of other dams or series of dams which will inevitably be necessary higher up the river, and unfortunately that is what the bill S. 3331 proposes to do.

The logical and practical way to develop a river is to begin at its source and work toward its mouth. This bill proposes to reverse this logical and practical order of development.

The elevation of the water surface of the Colorado River at Glen Canyon is 3,127 feet, at Bridge Canyon it is 1,207 feet, and at Boulder Canyon it is 705 feet.

ARIZONA

Ninety-seven per cent of the entire area of the State of Arizona is within and constitutes 43 per cent of the total area of the Colorado River drainage basin.

Arizona contributes about 28 per cent of the waters of the Colorado River.

Of the 6,000,000 firm horsepower of potential hydroelectric energy in the lower basin, seven-eighths thereof is in Arizona, but the Boulder Canyon plan of development would allot to Arizona only an insignificant fraction of this hydroelectric power.

Of the lands in Arizona susceptible of irrigation, all thereof to be irrigated must obtain their water from the Colorado River or its tributaries in Arizona; they have no other waters from which to draw.

The Colorado River enters Arizona from Utah near what is called the Crossing of the Fathers and flows through Arizona for a distance of 330 miles to the Arizona-Nevada State line, in Iceberg Canyon. From this point the river forms the western boundary line of Arizona for a distance of 400 miles to the point where it intersects the boundary line between Arizona and Old Mexico. Arizona furnishes 28 per cent of the waters of the Colorado River.

CALIFORNIA

Only 2½ per cent of the Colorado River drainage basin is in California.

California contributes no water to the Colorado River.

The Boulder Canyon plan of development allots to California 37 per cent of the waters of the Colorado River.

The Boulder Canyon plan allots to California practically all of the hydroelectric power to be generated in the lower basin of the Colorado River.

California has 18,000,000 acres of land irrigable by waters other than by the waters of the Colorado River.

Of potential hydroelectric energy, California has 6,000,000 horsepower which may be developed within her borders on streams other than the Colorado River or its tributaries.

The Boulder Canyon plan allots to California practically all the hydroelectric power developed in Arizona, but California would not permit Arizona to direct the allocation of the hydroelectric power developed on California streams.

It is the opinion of numerous engineers of large ability and vast experience that to place the initial high dam at Boulder Canyon would sacrifice priceless resources of this river inasmuch as a high dam at Boulder Canyon would defeat a comprehensive and systematic plan of maximum development.

A storage dam at Glen Canyon with a diversion dam at Bridge Canyon would achieve precisely what is sought by a dam at Boulder Canyon, viz, flood control, irrigation, hydroelectric power, and domestic water for the cities and towns of southern California; and furthermore, such dams at Glen Canyon and at Bridge Canyon would sacrifice no potentiality of the river.

Attention is directed to the testimony of Mr. O. C. Merrill, executive secretary of the Federal Power Commission (see p. 505, vol. 5, hearings before Senate Committee on Irrigation and Reclamation):

"While the resources of the Colorado River approximate from 4,000,000 to 6,000,000 horsepower, way beyond present-day requirements of the Southwest, and including in the Southwest the southern half of California, there is no reasonable doubt that within the next half century at the outside there will be demand for all the hydroelectric energy that the lower Colorado River at least can supply, and care must, therefore, be taken in any scheme of development of the river to see that we do not sacrifice, unless for outstanding reasons, any future possibilities of power."

It is, of course, true that we should attempt to serve our generation and meet the needs and requirements of our own day, but it is none the less true that we will never be forgiven at the bar of public opinion if in serving our own day and generation we reject a plan for Colorado River development (viz, storage dam at Glen Canyon and diversion dam at Bridge Canyon), which plan if consummated would furnish all the practical results needed and desired by this generation and would at the same time conserve all the natural advantages of this river for those who in the days yet to come are to live in the Colorado River Basin. It is entirely within the realm of practicability to irrigate every acre of land within the Colorado River Basin susceptible of irrigation if science and national welfare, instead of expediency, be allowed to control.

There will be no remorse so poignant as that which will come from a realization, after the expenditure has been made, that in placing the high dam too far down on the river (at Boulder Canyon) a potential empire in the lower basin has been stunted.

The enactment of this bill into law would sentence Arizona to obscurity and render impossible in that State any large development in the future.

This bill, however, with all its vices, is at least free from the vice of hypocrisy. It sedulously and intentionally proposes to sever Arizona's jugular vein.

The bill is intended to be, and is, an attempt to coerce Arizona. One administration unsuccessfully attempted to coerce Arizona into joint statehood with New Mexico. Another administration unsuccessfully attempted to coerce Arizona upon certain provisions of her constitution, and those of the present administration who are attempting by this legislation to coerce Arizona will ultimately discover that they have simply been standing like large locomotives on a sidetrack, without driving rods, wasting their steam in vociferous and futile sibilation.

What abysmal folly to condemn, as this bill does, 200,000 firm horsepower, which is one-third of all the electrical energy proposed to be generated at Boulder Canyon, eternally to the task of lifting 1,500 second-feet of water to a height of 1,730 feet and pumping the same to the cities and towns of southern California for their domestic use, when at no greater cost the same supply of domestic water may be sent to these same cities and towns of southern California by gravity from a diversion dam at Bridge Canyon, and thus save and release for other purposes this enormous quantity of horsepower.

What reckless disregard of the public interests to build a dam at Boulder Canyon, as this bill proposes, which at most could irrigate only 200,000 acres of land in Arizona, whilst the storage dam at Glen Canyon and the diversion dam at Bridge Canyon would irrigate at least 3,000,000 acres of land in Arizona.

What flagrant injustice by placing the dam at Boulder Canyon to doom 3,000,000 acres of land in Arizona perpetually to desert and thereby to irrigate an equal area of land in Mexico.

Respectfully submitted.

HENRY F. ASHURST,
*United States Senator from Arizona.*

Mr. JOHNSON. Mr. President, inasmuch as the request was made to have printed in the CONGRESSIONAL RECORD the minority views upon the bill that has been reported, may I ask that the same consent be given to printing the majority views in the RECORD as well.

The VICE PRESIDENT. Without objection, it is so ordered.

The report this day submitted by Mr. JOHNSON (No. 654) is as follows:

The Committee on Irrigation and Reclamation, to whom was referred the bill S. 3331, presents the following report recommending the passage of S. 3331:

THE PROJECT GENERALLY

Senate bill 3331, reported favorably by the Committee on Irrigation and Reclamation, is the culmination of many years of technical and scientific research, study, and investigation, and of the efforts of the Federal Government and the various States affected to harness the waters of one of the great rivers of the world. The Colorado River is a unique stream of 1,750 miles in length, the third largest river on the continent. Its drainage area embraces 242,000 square miles in the United States. It rises in the State of Wyoming and flows through that State, Colorado, Utah, and Arizona, and forms part of the boundary between the States of Arizona and Nevada and Arizona and California, and finally discharges into the Gulf of California.

The stream measurements taken over a period of 25 years show an average annual discharge of nearly 17,000,000 acre-feet (this after irrigation depletion above). The run-off varies greatly from year to year. In 1902 it was but 9,110,000 acre-feet. In 1909 it was 25,400,000 acre-feet. The seasonal variation of the river is also sharply marked, the flow ranging from 200,000 cubic feet per second when in flood to as low as 1,250 in low water. The rim of the upper drainage basin of the river is composed largely of high mountain ranges. The melting snows from these ranges and the rainfall increase its volume. The lower portion of the basin is composed of hot, arid plains of low altitude, broken by short mountain groups. The central portion consists of a high plateau, through which the river runs for hundreds of miles in a deep and narrow canyon.

As the river flows rapidly through the canyon region it picks up a tremendous amount of silt, and its average discharge of silt yearly at Yuma is about 110,000 acre-feet, an amount equal in volume to the total excavations by the United States from the Panama Canal.

In its quieter moods the waters of the Colorado River are easily controlled and may be beneficially utilized in the fertile valleys it traverses; but as summer approaches the melting snows often convert this stream into an indescribable raging torrent, which, through the ages, with irresistible force has torn into the high plateaus of Arizona and Nevada and carved out mighty chasms, sometimes even to a depth of 5,000 feet.

The havoc that the river at its flood has wrought, its very destruction of the territory through which its torrents have swept all before it have provided the means for its control and for the beneficial use of its waters now running to waste. Through great deposits of rock the waters have cut, leaving towering perpendicular walls between which dams may be constructed at a minimum of effort and expense. Immense basins have been carved out where its waters can be easily stored. It has distributed the material carried down by its floods over the low-lying lands in the valleys below converting the otherwise barren and worthless desert into highly productive and fertile soil. A menacing and destructive agency in its natural state, the Colorado River but awaits development and control to be one of the great contributing factors to the wealth of the Nation and the happiness of the people of all of the territory of the Southwest. Successive administrations have recognized not only the possibilities of regulation and control of the Colorado River but the necessity for that regulation and control. From the time of President Roosevelt to that of President Coolidge the Federal Government has recognized the problems of the Colorado River and the lands dependent upon it and that these problems, because of their interstate relations and certain of their international aspects, were national in character and a matter of national concern. The present bill embodies the conceded solution of years of painstaking care and thorough study and investigation by the ablest engineers of our country. It seeks not only the control of one of the Nation's great rivers but endeavors to remove the danger and the menace which like a pall have rested upon tens of thousands of American citizens, utilizes what is now waste water for reclamation, irrigation, and domestic use, and ends the intolerable conditions now surrounding the Imperial Valley in its water supply.

The citizens in the Imperial Valley and the territory contiguous thereto have long been praying the Congress for relief from the perilous position in which the Colorado River in its erratic moods has placed them. Imperial County is the southeasterly county of the State of California. It borders upon Mexico. In its conformation physically it is different from any other part of our country, and possibly different from any other part of any other country in the world. The fertile valley, which takes its name from that of the county, is in shape like a saucer. Along the rim of a part of this saucer-shaped land flows the turbulent Colorado River. Beneath is the valley, 250 feet below the level of the sea. The rainfall is negligible, and the wells are in one restricted locality and are of little consequence. It is a natural desert, composed of silt from the river that flows above it and which during the ages has reclaimed the sea. For the Imperial Valley at one time undoubtedly was a part of the Gulf of California, which gradually has been filled by this silt deposit of the Colorado River. The silt constitutes a sand, originally variable and moving, and in its natural state merely a forbidding desert.

One thing, and one thing alone, makes the Imperial Valley possible for productivity and habitation. One thing transforms a hideous desert into a modern paradise, and that one thing is water. From one place, and one place alone, can water be obtained, and that place is the Colorado River. The Colorado is an American stream. It has its source in the United States, as has been related. It is true that it meanders through Mexico and finally finds its outlet in the Gulf of California. But it is an American river, and it is an American river to which Americans in America are entitled first. Each season, because of the silt it carries, its bed rises higher. It is restrained

and controlled by dikes and levees. The height of these levees has been constantly increased until to-day they are built to the danger point and can not be built higher.

Storage above and the regulation of the flow are now recognized as the only means of protection from floods, not only for the Imperial Valley but for a part of Arizona, a part which by reason of its development has become a productive, valuable, and beautiful territory. The flood danger so far as the Imperial Valley is concerned is unlike that which exists in any other part of the United States. In other localities destructive floods may occur with untold losses, and yet the waters subside and the territory affected ultimately recovers. In the Imperial Valley floods mean water entering the basin of the saucer-shaped land with no possible outlet, and then utter annihilation. Millions of dollars have already been expended, not only by the localities affected but by the Federal Government, in the attempt to protect the lower basin of the Colorado River from floods. Levees at times have no sooner been built than they have been washed away. Here, finally, is presented a unified plan for protecting those entitled to protection, for the allocation among the States desiring that allocation of the waters of a great river to which all are entitled, for the eliminating of intolerable conditions by which a fertile and productive part of the United States is dependent for its very life upon water which flows through Mexican territory, and, finally, for converting into a great national asset a wasteful and destructive agency, and by its control reclaiming for homes for Americans hundreds of thousands of acres of land now arid and worthless.

The project contemplates the construction of a large dam and storage reservoir at Boulder or Black Canyon, where the Colorado in its mad moments has prepared a precipitous, perpendicular granite or basalt wall more than 1,600 feet in height. In addition, an all-American canal for the protection of the lands of Imperial and Coachella Valleys is provided for. The canal will extend from the Laguna Dam, near Yuma, to Imperial Valley, a distance of about 60 miles. The dam will be approximately 550 feet in height and will create a water storage of 26,000,000 acre-feet. The dam will furnish sufficient drop to generate 550,000 firm horsepower of electricity, or 1,000,000 horsepower on a 55 per cent load factor.

The magnitude of the proposed Boulder Canyon Dam can only be appreciated by comparison with present existing works of like character. The highest dams now in existence stand from 250 to 350 feet above bedrock, while the Boulder Canyon Dam will consist of a solid concrete structure towering 550 feet above its foundations and braced between solid rock walls. Some of the great reservoirs in the world are the Assuan, of Egypt, with 1,865,000 acre-feet capacity; the Elephant Butte, of New Mexico, and our Reclamation Service, with 2,368,000 acre-feet capacity; and the Gatun Lake, on the Panama Canal, with 4,410,000 acre-feet capacity; while the proposed Boulder Canyon storage will have approximately 26,000,000 acre-feet. If we assume the District of Columbia as a reservoir site and use the total area of the District for the storage of an amount of water which will be stored by this project, the District would be covered to a depth of 535 feet, or within 20 feet of the height of the Washington Monument. If the land alone of the District were thus utilized for the waters stored by the Boulder Dam, the water would be upon the District 677 feet deep, or 120 feet higher than the Washington Monument. The hydroelectric power which will be generated from the contemplated new work will equal 550,000 firm horsepower continuously, with a 1,000,000-horsepower installed capacity—a capacity equal to the total capacity of all the Niagara plants now operating, an installed capacity 50 per cent greater than Muscle Shoals, and with a capacity and firm horsepower six times greater than that contemplated at Muscle Shoals. Careful estimates demonstrate that the Boulder Canyon project will save 23,000,000 barrels of oil yearly, and when it is recalled that the United States Geological Survey warns us that the oil supply of America, at the present rate of consumption, may be completely exhausted in 20 years the importance of this saving can not be overestimated.

And at the beginning and at the end of this report it should be made plain that the entire project will finance itself, that the bill provides no work shall be undertaken and no money expended until the administration has provided for the adequate repayment of every penny that may be expended. The testimony demonstrates conclusively that the money for the work under this bill will be forthcoming, that already it may be provided, and that this tremendous enterprise, one of the greatest of our generation, fraught with such potential possibilities for good and with such incalculable benefit to our people will cost the Federal Government nothing but administrative effort.

## PART I. GENERALLY OF THE PROJECT, ITS DEVELOPMENT AND PLAN

### PROJECT FINANCIALLY ATTRACTIVE TO GOVERNMENT

From a financial aspect this project is an attractive one to the Government. There is an active market for the power which will be generated at the dam both for commercial purposes and for pumping in connection with a domestic water supply for southern California cities. The Imperial Valley is a proven irrigable area. Established and going districts will be responsible for the cost of the canal. While the Government will in the first instance advance funds for the construction of the works, all advancements will be repaid to the Government within 50 years with interest at 4 per cent per annum. Moreover the bill specifies that no money is to be advanced until the Secretary of the Interior has secured contracts for the delivery of water and for power assuring the Government full repayment of its outlays with interest.

The authorized appropriation is $125,000,000, covering $41,500,000, the estimated cost of the dam; $31,000,000, the estimated cost of the canal; $31,500,000, the estimated cost of a power plant at the dam; and $21,000,000 interest during construction. The last item, however, represents no active appropriation, but is solely for the purpose of returning to the General Treasury interest upon the other $104,000,000 during the period of construction and before the works can begin to yield a return. It is largely a bookkeeping arrangement to fix the amount for which beneficiaries of the project will be charged.

Again, the building of a power plant at the dam is left optional with the Secretary of the Interior. If he elects not to build the plant, but instead to lease the rights to use waters for power generation, the $104,000,000, representing the total cost of the works authorized, will be reduced to $72,500,000, and the item of interest during construction will be correspondingly reduced.

### FINANCIAL FEATURES OF BILL PREPARED BY TREASURY DEPARTMENT

Particular consideration has been paid to the financial features of the bill. As they appear they are in the form prepared by the Treasury Department and may therefore be said to be suitable and appropriate both to the carrying out of the project and to the requirements of that department.

### PURPOSES OF PROJECT

The project will serve four main purposes:

(1) It will relieve a very serious and ever-present flood danger to the Imperial Valley as well as other sections along the lower river both in Arizona and California. Imperial Valley occupies a sink or basin lying from 100 to 350 feet below the bed of the river. It has no drainage outlet. Hence its flooding means its permanent destruction.

(2) It will end an intolerable situation, under which the Imperial Valley now secures its sole water supply from a canal running for many miles through Mexico, as well as make possible the reclamation of a large area of public lands lying around the rim of the present cultivated section in the valley.

(3) It will conserve flood waters of the river which in addition to providing for irrigation development will make it possible for rapidly growing cities of southern California to secure a domestic water supply from the water thus saved.

(4) It will create a large amount of desirable hydroelectric power, making the project a financially feasible one.

The construction of the dam in addition to providing efficient flood control and making available the flood waters for irrigation and domestic uses will fully regulate the flow of the river. With its flow unregulated the river can not be successfully used as a highway for commerce; in its regulated form it will provide a safe and dependable flow below the dam which can be used by power boats and other small craft. The reservoir created by the dam will be the largest artificial lake in the United States and capable of successful navigation.

### PROJECT HAS BEEN FULLY INVESTIGATED

The project has been under consideration for many years. Government agencies have made long and careful investigations respecting its feasibility and necessity. Unusually extensive committee hearings have been had.

The committee has actually visited the region affected by the project and held hearings there. Two years ago the Secretary of the Interior, in a report to Congress on the project, tersely said:

"The Colorado River has been under observation, survey, and study, and the subject of reports to Congress since the close of the Civil War. More than $350,000 have been expended by the Bureau of Reclamation since the Kinkaid Act of May 18, 1920. More than $2,000,000 have been expended by other agencies of the Government. The time has arrived when the Government should decide whether it will proceed to convert this natural menace into a national resource." (Hearings on H. R. 2903, 68th Con., 1st sess., p. 818.)

### BOULDER (OR BLACK) CANYON PROPER LOCATION FOR DAM

While there has been some difference of opinion as to the proper site for an initial development on the Colorado River the overwhelming weight of opinion favors the Boulder or Black Canyon site. These two sites are close together and are frequently termed the upper and lower Boulder Canyon sites. A dam at either site will inundate practically the same territory. Natural conditions at this point are extremely favorable for the construction of a great dam at a minimum of cost. An immense natural reservoir site is here available. A development at this point will fully and adequately serve all purposes—flood control, reclamation, domestic water, and power. It is the nearest available site to the power market, an important element from a business or financial standpoint.

As said by Mr. Hoover, Secretary of Commerce:

"I believe the largest group of those who have dealt with the problem, both engineers and business folk, have come to the conclusion that there should be a high dam erected somewhere in the vicinity of Black Canyon. That is known usually as the Boulder Canyon site, but nevertheless it is actually Black Canyon. The dam so erected is proposed to serve the triple purpose of power, flood control, and storage. Perhaps I should state them in a different order—flood control, storage, and power, as power is a by-product of these other works.

"There are theoretical engineering reasons why flood control and storage works should be erected farther up the river and why storage works should be erected farther down the river; and I have not any doubt that given another century of development on the river all these things will be done. The problem that we have to consider, however, is what will serve the next generation in the most economical manner, and we must take capital expenditure and power markets into consideration in determining this. I can conceive the development of probably 15 different dams on the Colorado River, the securing of 6,000,000 or 7,000,000 horsepower; but the only place where there is an economic market for power to-day, at least of any consequence, is in southern California, the economical distance for the most of such dams being too remote for that market. No doubt markets will grow in time so as to warrant the construction of dams all up and down the river. We have to consider here the problem of financing; that in the erection of a dam—or of any works, for that matter—we must make such recovery as we can on the cost, and therefore we must find an immediate market for power. For that reason it seems to me that logic drives us as near to the power market as possible and that it therefore takes us down into the lower canyon." (Hearings on S. Res. 320, 68th Cong., 2d sess., p. 601.)

FEDERAL GOVERNMENT THE PROPER AGENCY TO UNDERTAKE DEVELOPMENT

Because the Colorado River is an interstate and international stream and because of the various conflicting uses of water, such as for flood control, reclamation, and power generation, the Government is the proper and logical agency to undertake this development. It is well equipped for this purpose. The Reclamation Service has had wide experience in large dam construction. For the Government to undertake this work does not mean its going into business in an objectionable sense. Even if the Secretary of the Interior elects to build a power plant at the dam and operate it, this will mean but a very small force of men in the Government service. Again, the economic consequences of a development of this importance are such that the Government should maintain a control greater than can be secured through the usual regulatory processes. Benefits from natural assets of the magnitude here involved should be fairly and widely distributed. This can best be accomplished by the Government taking the initiative, as in the bill provided. This idea was well expressed by the Secretary of the Interior in his report of January 12, 1926, on the project, where he said:

"Interstate and international rights and interests involved, the diversified benefits from the construction of these works, the waiting necessities of cities for increased water supplies, the large development of latent agricultural resources, the protection of those already developed, and the immense industrial benefits which may come from the production of cheap power, which together appear to render the construction and subsequent control of these works a measure of such economic and social importance that no agency but the Federal Government should be intrusted with the protection of rights or distribution of its opportunities. All uses can be coordinated and the fullest benefits realized only by their centralized control." (Hearings on S. Res. 320, 69th Cong., 1st sess., p. 868.)

A similar view was voiced by the President in a telegram to C. C. Teague of date October 7, 1924, in which he said:

"The major purposes of the works to be constructed * * * involve two fundamental questions which must always remain in public control—that is, flood control and the provision of immense water storage necessary to hold the seasonal and annual flow so as to provide for the large reclamation possibilities in both California and Arizona.

"These considerations seem to me to dominate all others and to point logically to the Federal Government as the agency to undertake the construction of a great dam at Boulder Canyon or some other suitable locality. * * *." (Hearings on S. 727, 68th Cong., 2d sess., p. 13.)

This thought was also clearly expressed by the late President Harding in the manuscript of an address which he expected to deliver at San Diego. He was prevented from delivering this address by death. He said:

"Such a gigantic operation may not be accomplished within the resources of the local communities. It is my view, and I believe the accepted view of a large part of our people, that the initial capital for the installation of these engineering works must be provided by the American people as a whole, and truly the American people as a whole benefit from such investment. The addition to our national assets of so productive a unit benefits not alone the local community created by it but also, directly and indirectly, our entire national life. * * * I should, indeed, be proud if during my administration I could participate in the inauguration of this great project by affixing my signature to the proper legislation by Congress through which it might be launched. I should feel that I had some small part in the many thousands of fine American homes that would spring forth from the desert during the course of my lifetime as the result of such an act and in the extension of these fine foundations of our American people." (Hearings, H. R. 2903, 68th Cong., 1st sess., pp. 1884–1885.)

HOW THE PROJECT TOOK FORM

As early as January 12, 1907, President Roosevelt submitted to Congress a message upon the problems of the lower Colorado River, in which he outlined and urged a development which will become a reality upon the completion of the project here authorized. Thus he said:

"The construction work required would be: The main canal, some 60 miles in length, from Laguna Dam into the Imperial Valley; the repair and partial construction of the present distribution system in the valley and its extension to other lands, mainly public; diversion dams and distribution systems in the Colorado River Valley; and provision for supplementing the natural flow of the river by means of such storage reservoirs as may be necessary. This would provide for the complete irrigation of 300,000 acres in the Imperial Valley and for 400,000 acres additional in the United States in the valley of the Colorado in Arizona and California."

(Further investigations, of course, have shown that even President Roosevelt did not grasp the magnitude of irrigation possibilities in the lower Colorado.)

Proceeding in his message, he said:

"The Imperial Valley will never have a safe and adequate supply of water until the main canal extends from the Laguna Dam. At each end this dam is connected with rock bluffs and provides a permanent heading founded on rock for the diversion of the water. Any works built below this point would not be safe from destruction by floods and can not be depended upon for a permanent and reliable supply of water to the valley."

On February 16, 1918, by contract between the Secretary of the Interior and the Imperial irrigation district provision was made for the creation of an all-American canal board to consist of one member named by the Reclamation Service, one by the district, and one by the University of California, such board to investigate the feasibility of an all-American canal. The engineers selected were Dr. Elwood Mead, now Commissioner of Reclamation; W. W. Schlecht; and C. E. Grunsky.

This board reported on July 22, 1919, recommending an all-American canal, and legislation was presented in the Sixty-sixth Congress to carry out its recommendation. Extensive hearings were held. But Congress, not being entirely satisfied with the data available, and particularly because no concrete plan for storage was before it, on May 18, 1920, passed the so-called Kinkaid Act, by which the Secretary of the Interior was directed to make further investigation of the problems of the lower Colorado and report back to Congress his recommendations as to the proper plan of development. An appropriation of $20,000 was made. As investigations proceeded this was supplemented by appropriations from the Imperial irrigation district, Arizona, Los Angeles, Passadena, and other interested communities, aggregating $171,000.

A preliminary report was completed in the early part of 1921. Public hearings on this were had by the Secretary of the Interior, and on February 28, 1922, his formal report recommending in substance the project here authorized was transmitted to Congress. This report is published as Senate Document 142 of the Sixty-seventh Congress, second session.

Bills were introduced in both Houses to carry out the recommendations of the report and hearings were had.

Passage of legislation (the forerunner of the present bill) was recommended by the Interior Department in a communication to the House Committee on Irrigation on June 14, 1922. (Hearings on H. R. 11449, 67th Cong., 2d sess., p. 4.)

It was again urged by the department in a communication to the House committee on March 17, 1924. (Hearings on H. R. 2903, 68th Cong., 1st sess., p. 818.)

The project was favorably reported on by engineers of the Reclamation Service in February, 1924, in a voluminous report, which has been before this committee and considered by it, but which has not been published. This report contains a wealth of technical data on irrigable areas, various plans of development of the river, cost estimates, and similar data.

On January 12, 1926, the Interior Department again recommended the project in a report, to which reference is herein frequently made. (Hearings on S. Res. 320, 69th Cong., 1st sess., p. 867.)

The financial plan contained in the bill has been approved by the Secretary of the Treasury. (Report to House committee.)

This summary, by no means complete, of the various reports and recommendations upon this project, indicates the great care and long study which it has received from various Government departments and agencies and from congressional committees. It is as a result of all these that the project has taken its present form.

COLORADO RIVER COMPACT

About the time the Interior Department reported to Congress, pursuant to the Kinkaid Act, there was launched a plan to settle water rights on the Colorado River by interstate agreement. The efforts made to consummate such an agreement and the differences and disputes growing out of it have played an important part in the consideration of the project by Congress. Much of the testimony presented before the various committees have had to do with this.

Briefly, a seven-State agreement was signed by representatives of the interested States at Santa Fe, N. Mex., on November 24, 1922. All the States except Arizona promptly ratified this compact. Arizona, however, has thus far refused to ratify, and no assurances have been forthcoming that it will ratify in the immediate future.

In 1925 a six-State ratification of this compact was suggested and the four upper-basin States and the State of Nevada in the lower basin made such a ratification. California consented to the six-State ratification, but made its ratification contingent upon large storage being authorized.

Out of a wealth of discussion and argument over the situation thus created there has been evolved, and the bill contains, a formula or plan by which the present legislation shall become effective only upon a definite and unconditional six-State ratification of this compact being made, supplemented by various protective devices contained in the bill and suggested largely by representatives of upper-basin States. The bill gives congressional approval to a six-State as well as a seven-State ratification of this compact.

This arrangement or plan is objected to by certain groups in the State of Arizona, but the committee has felt that in view of the somewhat uncertain conditions in that State and in view of the urgent necessity for flood relief in the lower Colorado, development should not be allowed to further await action by Arizona.

As said by Mr. Hoover, in testifying before the House committee on March 3, 1926, in favor of the prompt authorization of this project:

"I have felt that the public interest of the people involved is so great that the whole of this enormous work should not be held up because of this last remaining fraction of opposition."

Under the provisions of the bill Arizona may use waters conserved by the development subject to the terms of the compact.

PART II. FLOOD CONTROL AND RIVER REGULATION

THERE IS URGENT NEED FOR FLOOD CONTROL IN THE LOWER COLORADO

One of the important purposes of this bill is to control the floods of the lower Colorado. Danger from flood is serious and is acute. More than 100,000 American citizens are annually subjected to the menace of the river.

In the lower valleys of California and Arizona there are thriving cities and great irrigated areas with property values of $200,000,000 or more, protected from the river only by means of artificial levees. These levees have been raised and extended until further or better protection by that means is virtually impossible.

The dam here authorized, with the consequent large storage, will permit of the regulation and stabilization of the river's flow and completely solve the flood danger. Unless prompt action is taken, any year may witness a flood of very serious and possibly disastrous consequences.

PHYSICAL CONDITIONS

Mr. F. E. Weymouth, formerly chief engineer of the Reclamation Service, in his 1924 report recommending the project, stated in the plain and conservative language of the engineer the physical conditions causing the acute flood menace which exists:

"In its present state of partial development, however, the river is a menace no less than it is a benefit. Each spring the snows accumulated on the mountain slopes of the upper basin melt with the advancing season until by the end of May the lower river has become a raging torrent. This flood usually reaches its peak in May or June, after which it ordinarily subsides; the floods have been known to continue into August.

"Annually the river carries past Yuma an average of 200,000,000 tons of silt. When the river is not in flood, this silt burden is largely carried to the Gulf, but in times of flood when the river spreads beyond its banks, it drops its load of silt not only at its mouth but wherever along its course the velocity of the water is checked. Especially does this deposition of material occur along and near the banks of its low-water channel. These banks are thus built up by successive floods until they hold the waters to such an elevation that the main current of the stream eventually breaks through and finds a new channel in lower ground.

"In the delta region below Yuma, being less restricted by natural lateral barriers, this tendency finds widest scope. Here the river has built a conical fan-shaped ridge cutting off what formerly was the upper end of the Gulf of California. Along the crest of this flat delta ridge runs the river; one slope toward the south terminates at sea level at the present head of the Gulf of California, the other extending northerly on a much steeper slope reaches a depression 250 feet below sea level at the rim of the Salton Sea. The portion of the ancient gulf thus cut off constitutes the Salton Basin, the irrigated area of which, lying largely below sea level along the northward delta slope, is known as Imperial Valley."

Again referring to temporary means adopted by Imperial irrigation district for flood protection the report proceeds:

"Within a few years at the most the silt deposits will raise the elevation of this latter area to a point where the main current of the floods will again be thrown to the west and north, at which time the assaults of the river on the Volcano Lake levee will be renewed with assurance that sooner or later another break into the valley will occur.

"The menace in case of such a break is not limited as at Yuma and above to the loss of crops and improvements and the cutting away of a few or many acres of valuable land, serious as that menace is. Besides all this the greater danger here is that the levee once breached and the river at flood turned into Salton Sea, the steep gradient of its course will induce the cutting through the soft alluvial soil of a gorge in which the flow may not be checked until a large part of the valley has become submerged beneath the waters of an inland sea." (Hearings on H. R. 2903, 68th Cong., 1st sess., pp. 711–712.)

It should further be pointed out that, in addition to destroying crops and damaging lands, the Imperial Valley has the decided disadvantage of being below sea level and having no outlet for the water. Ordinarily the flood waters from any stream finds its way back into the stream as the flood subsides. This is not the case in Imperial Valley. There the flood waters remain in the basin until taken out by the slow process of evaporation.

DANGEROUS SHIFTING CHANNELS

In 1905 the river turned northward from its channel on the crest of the delta and flowed into the Imperial Valley for nearly two years before the break could be closed, thus forming a lake of some 300 square miles known as the Salton Sea. Through heroic efforts on the part of the Southern Pacific Railroad Co., at the request of President Roosevelt, the break was closed in 1907 and the river returned to its channel. The United States then expended approximately $1,000,000 in the building of what is known as the Ockerson Levee to prevent another such disaster as that of 1905. This levee was barely completed, however, when in 1909 the river washed most of it away and turned westward into what is known as Bee River to Volcano Lake, still in Mexican territory, but in a lower depression on the delta. The river flowed on this course for 10 years and was kept there by means of an extensive levee system built by the people of Imperial Valley. By 1919, through its immense silt deposit, the river had filled the bed of Volcano Lake and Bee River to such an extent that it was again flowing on a ridge, and the levees could no longer be made to hold it. The Imperial irrigation district then, at an expense of approximately $700,000, constructed an artificial channel from Bee River to what is known as Pescadaro River and turned the river southerly into a triangular depression between Volcano Lake on the west and the old channel on the east. This is the area referred to by Mr. Weymouth in his report from which quotation is made.

This is the last remaining depression on the delta.

SILT AGGRAVATES FLOOD DANGER

The river has an annual discharge at Yuma of approximately 100,000 acre-feet of silt. This silt greatly aggravates the flood menace. No temporary works can be built to hold it. It was the silt deposit that built the deltaic ridge on which the river now flows. It was the silt deposit that filled the Bee River and Volcano Lake so that the river could no longer be held at that point, and the same silt deposit will quickly fill the depression where the river now flows.

The gradient to the north into Imperial Valley is much greater than that to the south into the Gulf, and when the depression is filled there is no means known which, at any cost within reason, can prevent the river from again flowing into the Imperial Valley.

The dam proposed in this bill will catch and hold the greater part of the silt. Most of the silt finding its way into the delta is from and above the canyon section. If no other dams were provided on the river, the one proposed in this bill would retain all of the silt finding its way into the reservoir for a period of 300 years and for more than 100 years before its storage capacity and usefulness would be seriously interfered with. As other dams are constructed on the river, they will catch and retain the silt, thereby further extending the usefulness of the Boulder Canyon Reservoir.

PAST FLOODS ABOVE IMPERIAL VALLEY

The Colorado River is subject to periods of great floods and great droughts. It has been known to reach a maximum discharge of more than 200,000 cubic feet of water per second and a low flow at the head works of the Imperial system of 1,250 cubic feet of water per second.

This causes extremely serious flood situations all along the lower river. Floods above Imperial Valley, were they not overshadowed by the exceptional flood danger to Imperial Valley, would attract attention and call for remedial measures. In 1916 the water stood 2 feet deep in the streets of the town of Yuma and threatened its destruc-

tion. In 1922 the river inundated a large part of Palo Verde Valley and the water stood several feet deep in the town of Ripley, in that valley, destroying much property and otherwise causing a large amount of damage. Other floods have submerged the Parker Valley and also done serious damage to the city of Needles.

The greatest flood danger, however, is to the Imperial Valley, lying far below the river's channel and with no outlet for flood waters once they enter the valley.

PAST FLOODS THREATENING IMPERIAL VALLEY

In 1914 the Volcano Lake levee was breached and 10,000 cubic feet of water per second flowed through the levee into the Imperial Valley for many days before the levees could be repaired. More serious results were avoided by means of hundreds of men placing bags of earth on top of the levee.

In 1918 the Ockerson Levee, which had been rebuilt by Imperial irrigation district, was breached in two places. The flood water was successfully turned westward to Volcano Lake by other levees, but not until after several thousand acres of land had been inundated and the workmen and a Southern Pacific train marooned. In a course of two days the men were removed, but the train was held until the flood subsided some three months later.

In 1919, before the river was turned into Pescadero Cut, the levees were again breached and 4,000 acres of land inundated before the opening could be closed. The river was so high and the water-soaked earth so soft that maintenance work could not be carried on by the usual means of dumping rock from trains operated for that purpose. This was found to be the case after a locomotive and cars had been lost in the attempt. Numerous smaller breaks have occurred. In 1925, with only 50,000 second-feet of water, the river turned against the levees and in two different places undermined and destroyed them for distances of several hundred feet. These smaller breaks are of annual occurrence, and serious results have been prevented only by constant vigilance. Telephone communication is maintained throughout the entire length of the levees and numerous watchmen are constantly on patrol. Strings of dump cars are kept loaded with rock and locomotives under steam for immediate use.

LEVEE SYSTEM

The Imperial irrigation district has about 78 miles of protective levees in Mexico. The Yuma project has about 30 miles in Arizona and California, and Palo Verde irrigation district has several miles of similar levees for the protection of Palo Verde Valley. These levees are of necessity built of loose silt upon a foundation of similar material. They are faced with rock hauled long distances by dump cars upon standard-gauge tracks maintained on the levees for that purpose. Levees thus constructed afford only partial protection. When the river strikes the levee it is not its overtopping that is so much feared, but the water will quickly eat away the loose material and the levee simply settles down and virtually disappears.

EFFECT OF FLOOD MENACE

Four hundred and sixty thousand acres are now being served with water by the Imperial irrigation district. There is not only the possibility of this land being inundated, but there is a constant knowledge that a comparatively small break in the levee system could destroy irrigation works and cut off water for irrigation and domestic purposes. This creates a constant feeling of uncertainty. Property values are less than half of what its income would justify. Capital for full development can not be had, and where money is obtained it is obtained at an excessive rate of interest. The Federal farm-loan banks refuse to lend any money in Imperial Valley because of these conditions.

The happiness of the people, the security of their property, and the proper development of this highly productive area depend largely upon adequate flood control.

UNANIMITY OF VIEW AS TO FLOOD DANGER AND NEED OF QUICK RELIEF

An outstanding feature of the testimony before the committee was the unanimity of view respecting the existence of the flood danger, its seriousness, urgent need for quick action, and that storage up the river was the solution. Engineers like A. P. Davis, F. E. Weymouth, Gen. George Goethals, and William Mulholland joined with responsible executive officials like Mr. Herbert Hoover in voicing this idea. Admittedly and concededly storage at Boulder Canyon as here authorized will effect the greatest measure of security against the river's floods which may be obtained.

The handling of this flood problem by itself would necessarily mean a heavy and unrecoverable outlay. By caring for it in the manner provided for by this bill the Treasury is saved a very large sum of money. The plan here presented is a practical and businesslike one, having due regard for the integrity of Federal funds and the safeguarding of the general taxpayers.

PART III. RECLAMATION AND ALL-AMERICAN CANAL

RECLAMATION AND ALL-AMERICAN CANAL IN BRIEF

Large storage at Boulder Canyon with its consequent river regulation below will make possible a full development of irrigation potentialities in the United States below the canyon. There are in Arizona, Nevada, and California some 1,500,000 acres of land susceptible of irrigation by the waters conserved by the dam and reservoir. Of this amount 550,000 acres, of which 460,000 acres lie in Imperial Valley, are now irrigated from the river.

The all-American canal will carry a portion of the conserved waters available for irrigation to where they can be used for the irrigation of a large body of these lands. Looked at in a somewhat narrow way it represents a cooperative enterprise between Imperial irrigation district, which serves the present irrigated area in Imperial Valley, the Coachella County water district, a public district embracing in its limits in the Coachella Valley, and the United States as owner of approximately 200,000 acres of public land about the rim of Imperial Valley and about 11,000 acres of Indian lands now without water but possessing the same possibilities of development with water as the fertile lands in the valley. Neither Imperial irrigation district, the Coachella district, nor the United States could afford alone to build a canal from the river. Acting in conjunction, the canal is entirely feasible. For various reasons the Imperial district now desires to augment and stabilize its water supply and is ready to bear its share of the cost of the main canal. Under the plan of the project as expressed in the bill, power, domestic water, and existing irrigation enterprises in effect underwrite and guarantee all costs of the whole development. The result is that the United States as proprietor of public lands will secure a water supply for these lands under exceptionally favorable conditions.

There are, however, other reasons why the all-American canal is a vital part of the development. It will cure an unsatisfactory international situation, which should not be allowed to continue, existent by reason of the present main canal serving Imperial Valley being in Mexico. It will also give the United States a general control over waters conserved by the reservoir essential to guard against overdevelopment of Mexican lands to the detriment of American interests.

CROPS PRODUCED

The area below Boulder Canyon is desert in character, having hot summers and mild winters. The Imperial and Coachella Valleys are essentially a winter garden. During the recent winter from December to March approximately 111,000 carloads of lettuce were shipped out of this valley, and, in addition, vast quantities of peas, spinach, asparagus, summer squash, and many other vegetables were shipped to the eastern markets. In the early spring, tomatoes, cantaloupes, and watermelons are shipped in large quantities. Something over 15,000 carloads of cantaloupes alone were shipped in 1925. Dates, early table grapes, winter strawberries, and many other fruits and vegetables are produced in large quantities for the use of the country at a time when they can not be produced elsewhere. While this class of farming is expensive, under favorable conditions it is highly profitable.

STOCK RAISING

While this region is better known for its fruits and winter gardens, the mild, open winters and abundant winter feed make stock raising, and particularly feeding beef cattle and sheep for the market, desirable and profitable. Many thousands of head of feeder cattle are shipped into the Imperial and Yuma Valleys in the fall of the year and fattened during the winter for the spring market.

DAIRYING

The same condition that makes the feeding of livestock for market profitable makes possible the production of dairy products on a large scale. Imperial Valley alone markets more than 6,000,000 pounds of dairy products per year.

NO COMPETITION

The climatic conditions of the region below Boulder Canyon and Imperial Valley in particular are such that the products are not seriously in competition with other parts of the United States. A very large part of the products of the region can not be produced elsewhere and particularly at the time of year produced there. It produces the winter fruits and vegetables greatly needed in the great centers of population of the United States.

WATER SUPPLY

The only source of water for irrigation and domestic use below Boulder Canyon and including a very large area in Arizona and California is the Colorado River and its tributaries. That section of California, including Palo Verde and Imperial Valleys, must rely wholly upon the main stream of the Colorado River.

The low flow of the river is now completely utilized. Four times in recent years the Imperial Valley, which is supplied from the lowest point of diversion, has taken all of the water from the stream. In 1924 all of the water was taken for about 90 days, and for 76 consecutive days the river was completely dry below the Imperial Valley headgate. During much of this time there was not sufficient water for the needs and at one time only 1,250 cubic feet of water per second was available for the Imperial canal system when at that time the needs were for about 4,000 cubic feet of water per second. The low-water period in the river comes in August, September, and October, at a time when water shortage even of brief duration is disastrous. The

crop loss on account of water shortage in 1924 is estimated at more than $5,000,000. The development in the upper and lower basins of the river is proceeding rapidly and this water shortage is bound to be repeated unless the flood water is stored in a great reservoir as provided for in this bill.

WATER FOR IMPERIAL VALLEY ALL PASSES UNDER THE JURISDICTION OF MEXICO

Between Imperial Valley and the Colorado River there is a low-lying range of sand hills of no considerable elevation but of sufficient elevation that water can not be carried through them without the all-American canal presently referred to. This range of hills extends a few miles below the international boundary line into Mexico.

When the development of the Imperial Valley was first conceived it was thought impossible to undertake the expense of building the all-American canal. The lands had not been proven, settlers in sufficient number had not yet located upon the land and the private company which undertook the development was more interested in profit than in permanency.

It was found that water could be diverted at little expense from the Colorado River on the American side of the international boundary line and carried in an old wash or channel known as the Alamo Channel and thus flow by gravity some 60 miles through Mexico and back into the United States. This channel has from time to time been cleaned and straightened and the banks and sides strengthened so that it has served as a main canal for the Imperial Valley from the beginning to the present time and is still in use. There is no water in Imperial Valley except water carried through this canal. All of the water for irrigation and domestic use must be received in this way. Not only the farms and the farmers are dependent upon this canal but the inhabitants of six incorporated towns ranging in population from about 2,000 to more than 8,000 people are wholly dependent upon it for domestic supply.

MEXICAN CONTRACT

In order to carry the water into Mexico and deliver it back into the United States for the use of American citizens it was found necessary to organize a Mexican corporation for the purpose of receiving the water at the international line, operating the canal system in Mexico and delivering the water to the United States, as Mexico would not permit this to be done by a corporation or political agency of the United States. This Mexican corporation obtained a contract, sometimes referred to as a concession, from the Government of Mexico whereby it was granted the right to receive the water and deliver it back into the United States providing that the lands in Mexico receive from the canal all the water required for use in Mexico, not exceeding one-half of the amount passing through the canal. Under the contract Mexican users pay a consideration to be fixed or approved by the Government of Mexico. The price of water in Mexico is about 85 cents per acre-foot at the main canal, whereas the price in the United States is something over $2 per acre-foot delivered. The cost of delivery is small compared with the great difference in the price of water. In other words, the cost of water to the Mexican farmer has always been very much less than the cost to the American farmer.

OPERATION OF THIS WATER SYSTEM IN A FOREIGN COUNTRY IS UNSATISFACTORY

In the operation of this system under dual control many vexatious questions and problems constantly arise resulting in expense and delays. Duties are to be paid on materials taken into Mexico for operation and maintenance purposes, and different rules and laws are to be complied with. It is self-evident that these conditions will cause differences and misunderstandings which should not be permitted to exist if means can be found to avoid it.

DEVELOPMENT IN MEXICO

Development has constantly proceeded in Mexico to the extent that there was furnished from the main canal in 1925 water to 217,000 acres. The rapid development is more clearly understood by reference to the following table, prepared by the general superintendent of Imperial irrigation district:

| *Use of water in Mexico* | Acres |
|---|---|
| 1908 | 6,935 |
| 1909 | 9,051 |
| 1910 | 14,920 |
| 1911 | 14,953 |
| 1912 | 21,599 |
| 1913 | 33,761 |
| 1914 | 39,600 |
| 1915 | 41,000 |
| 1916 | 67,500 |
| 1917 | 77,500 |
| 1918 | 118,530 |
| 1919 | 136,580 |
| 1920 | 190,000 |
| 1921 | 120,000 |
| 1922 | 150,000 |
| 1923 | 180,000 |
| 1924 | 185,022 |
| 1925 | 217,000 |

There are more than 800,000 acres of land in Mexico susceptible of irrigation by gravity from this system. With Mexico constantly extending its use the development in the United States is now arrested, and it is only a matter of time until lands in the United States now irrigated will of necessity be abandoned so that Mexico can be supplied its half of the water. This condition is well expressed by the Secretary of the Interior in his report to this committee on January 12, 1926, where he said:

"The canal now supplies water for the irrigation of over 400,000 acres in California, and irrigators in Mexico at present require water for the irrigation of 200,000 acres. But Mexican irrigators are entitled under this concession to double the volume they are now using, or for enough to irrigate as many acres as are now irrigated in California. That is more water than the unregulated flow of the river will now supply. As the Mexican irrigators are on the upper end of the canal, the pinch of scarcity, when it has come in the past, or when it may come in the future, falls first on irrigators in the United States, which country supplies the water, all the construction cost, and all the money advanced for operation. It is unfair to California irrigators now, and will be even more so after the reservoir is built.

"It is physically possible to irrigate much more than 400,000 acres from this canal in Mexico. If this concession remains in force without any amendment and the canal continues to be used as now, the irrigated area in Mexico will continue to extend. The volume needed to be diverted from the river would be more than the direct flow at the low-water season, and the area irrigated in California would be subject to ruinous uncertainties and loss. If storage is provided a part of the water for the irrigation of lands in Mexico would under this concession have to be supplied from the reservoir, as this canal would be the only means of conveying water to the Imperial Valley, and it can be operated only if the terms of the Mexican concession are complied with."

OPERATION UNDER THE CONCESSION IS NOT SATISFACTORY

This dangerous and highly unsatisfactory arrangement under which the Imperial Valley is now served should not continue. Imperial Valley has grown into a large and substantial community. Sixty thousand or more American citizens now reside in that valley. Within very few years it is likely that this number will be very greatly increased. Much wealth has been produced in this area, and that wealth is constantly increasing. Four hundred and sixty thousand acres of land in the Imperial irrigation district alone is now highly productive, and in course of time there will doubtless be added to this area approximately one-half million acres more. We do not believe that such a community should be made to be dependent upon a foreign government for the very existence of its people and the whole value of its property, regardless of the good faith and stability of that government, when at a reasonable expense its water system can be put wholly under the jurisdiction of the United States. Even under a treaty there would exist a feeling of possible uncertainty which would make capital timid and hold back the development to which these people as American citizens are entitled. We believe the only proper and permanent solution of this water question is the all-American canal.

NOT SUFFICIENT WATER FOR ALL

It is extremely doubtful if there is sufficient water in the river for all land susceptible of irrigation, including lands in Mexico. Because of physical conditions Mexico, under present arrangements, can develop much more rapidly in the future than can the lands in the United States. Its lands are near the river and irrigation work is inexpensive.

If Mexico obtains water for its full development, it seems almost certain that a somewhat similar area in the Colorado River Basin in the United States that otherwise would be reclaimed will forever remain a desert.

With Mexico on the upper end of the canal that serves Imperial Valley, Mexican development will proceed. There will thus be created at the expense of lands in the United States a great community in Mexico, served with water originating in the United States and competing with American farmers.

ALL-AMERICAN CANAL

Senate Document 142, Sixty-seventh Congress, second session, states that the all-American canal will serve 785,400 acres of land in the United States, of which 515,000 acres are in the Imperial irrigation district, 71,800 acres are in Coachella Valley, and 167,000 acres are public lands. This estimate has been looked upon as being very conservative.

None of the public lands or Indian lands can be irrigated from the present canal system or by gravity from any system than can be built without the all-American canal. Under the plan of the project these lands will be appropriately charged under the reclamation law with their proper proportion of the cost of the canal or will be indirectly charged by being taken into the Imperial district (or perhaps a new district embracing Imperial and Coachella will be formed), which in turn will contract with the Secretary of the Interior to return the

cost of the canal in the form of annual payments for water delivered. By combining these uses the expense of water to serve the public Indian lands as well as the lands in existing districts will not be disproportionate to the benefits received. Without such combination it is doubtful if these public or Indian lands will ever be reclaimed. This affords an opportunity to irrigate these lands and at the same time provide a much-needed dependable water supply to all of Imperial and Coachella Valleys on a basis that will guarantee full repayment to the Government with interest. It is an opportunity that the Government, as proprietor of these lands, can not afford to let pass by.

SOLDIER PREFERENCE

The bill provides for preference right of entry on all public lands under the project to honorably discharged soldiers and sailors of the United States.

COST OF THE ALL-AMERICAN CANAL

The cost of the all-American canal, as estimated by the Secretary of the Interior in his report, is $30,773,000, which includes $1,600,000 now being paid by the Imperial irrigation district for the right to connect with and use the Laguna Dam.

PRESENT DIVERSION

The present head works of the Imperial system consists of a delivery gate some 750 feet in length in the west bank of the Colorado River 6,000 feet above the international boundary line. On account of the low lying banks of silt material it has been found impossible to construct and maintain a permanent diversion weir or dam without flooding the Yuma Valley, now highly productive, under the Yuma reclamation project of the United States. About 1915 it was found, by reason of changes in river channel, that water could not be diverted into the Imperial system without some artificial works in the river. The people of the Yuma Valley obtained an injunction against the construction of such works. The necessity of the case was such, however, that since that time temporary works have been put in the river annually by the Imperial irrigation district under a contract with Yuma County Water Users' Association, by the terms of which the Imperial irrigation district assumes full responsibility for any damages which may result to the Yuma County Water Users' Association or anyone else on the Yuma project by reason of such construction, and to guarantee payment the district is required to have executed annually and maintain a surety bond in the amount of $500,000. In addition to this the district agrees to, with all possible dispatch, change its point of diversion to the Laguna Dam and is required to make bi-monthly reports to the War Department as to progress being made.

COACHELLA VALLEY

Special mention should be made of the conditions of the Coachella Valley, lying at the northern end of Imperial Valley. This valley, like Imperial Valley proper, is below the channel of the river and is subject to the river's flood menace. It is not served by the present Imperial system, nor can it be served by this system, being above the level of the main canal. It secures its water supply from wells fed by waters from the mountains lying to the west and north, the drainage area being small. Water levels are constantly going down, and people of that section see facing them in the very near future the necessity of letting their highly productive ranches go back to desert. There are in this valley at least 72,000 acres of fine irrigable lands, 13,000 of which are now under cultivation and are producing crops of the same general character as in the Imperial Valley proper, but reaching the markets usually from one to two weeks earlier. All of this fine land could be irrigated from the all-American canal, in the construction of which lies the only hope of this section.

THE COST OF CANAL WILL BE REPAID

Under the terms of the bill the Secretary of the Interior is authorized to contract for the delivery of water from storage and through the all-American canal and for the sale of power at the dam in an amount sufficient to repay the entire cost of the project to the United States, with 4 per cent interest. The Secretary is not permitted to move until this has all been fully assured. In other words, the whole project, including the all-American canal, will be without expense to the United States.

PART IV. DOMESTIC WATER

DOMESTIC WATER SUPPLY

The construction of the high dam at Boulder or Black Canyon, besides accomplishing the purposes of flood control and reclamation of public lands, and besides making possible the development of a large amount of electrical energy to finance the cost of the works, will, incidentally, enable a large number of cities in southern California to secure a much-needed water supply.

The coastal belt of southern California includes a strip of land from 20 to 60 miles in width, bordering on the Pacific Ocean from Los Angeles to the Mexican boundary, a distance of about 150 miles. It includes the counties of Los Angeles, San Bernardino, Riverside, Orange, and San Diego, south and west of the high mountains. This coastal belt has a population of more than 1,800,000. The present population of Los Angeles County is something over 1,400,000, of which more than 1,000,000 are within the limits of the city of Los Angeles.

The four counties of Los Angeles, San Bernardino, Riverside, and Orange, from the standpoint of ultimate water supply, are a unit. San Diego County is somewhat detached from the others and presents a unit of its own.

As an incident to a remarkable development, the population in this coastal region has increased from 270,000 in 1900 to over 1,800,000 in 1925. In the same period the population of Los Angeles County has grown from 170,000 to 1,425,000 and the population of the city of Los Angeles from 120,000 to more than 1,000,000. The population of Los Angeles has practically doubled in the past five years, having increased about 500,000 since the last Federal census.

The water supply at the coastal belt of southern California is affected by cycles of wet and dry periods, periods of 10 to 12 years, in which the average rainfall and stream flow are below normal, followed by periods of the same duration in which they rise above normal. Owing to increase of population, even average water conditions will leave a shortage of supply in a few years. To meet this situation the cities of that region have been investigating possible sources of additional water supply.

These investigations have shown that about 1,500 second-feet of water for domestic purposes only will be required for these communities, and that the only possible source is the Colorado River. Plans are being formulated to go to that river for such supply. Naturally, the city of Los Angeles, because of its size and wealth has taken the lead. That city has, by an overwhelming vote, recently authorized a bond issue of $2,000,000 for preliminary investigation and construction.

Plans for obtaining water from the Colorado River for southern California cities contemplate an aqueduct about 260 miles in length, and taking water from the River near the town of Blythe, Calif., which is about 150 miles below Boulder Canyon. This aqueduct will cost, according to preliminary estimates, about $150,000,000. Water will have to be lifted by pumping about 1,400 feet in order to surmount an intervening mountain range.

It is proposed to organize a public district embracing Los Angeles, Pasadena, Glendale, and other interested communities to carry through this domestic water project. This district will require for pumping purposes a large block of electrical energy amounting when the aqueduct is operated to full capacity to possibly 250,000 horsepower, thus adding materially to the market for power from the dam.

A high dam creating large storage is essential in order that these cities may obtain the water they need from the Colorado River. It will impound for useful purposes large quantities of flood waters of the river which now annually waste into the sea, and will have the effect of desilting the river flow and thus make it suitable for domestic use.

One of the most serious features of the present water situation in the region where these cities are located is the encroachment of domestic needs on the agricultural supply. The acquisition of a water supply from the Colorado River for these cities, while it does not contemplate irrigation uses, will, incidentally, benefit present agriculture by relieving it from drafts for domestic purposes.

The unquestionable needs of southern California cities for domestic water will assure heavy contributions on account of water stored and delivered and power for pumping purposes to Government revenues from the project.

PART V. POWER

The Federal Government is interested in power on the project from two points of view:

First. As a means by which the great works authorized may be financed without a drain on the National Treasury.

Second. As regards the effect of the creation of this great power supply upon social and economic conditions in the Southwest and in its fair and wise distribution.

In the hearings on the project a mass of testimony was produced bearing upon the market for power. Showings were made as to the future requirements and markets for such power of Los Angeles, Pasadena, Riverside, and other cities of southern California, of the States of Nevada and Arizona, of transcontinental railroads, and the private distributing companies. It was also developed that southern California cities in connection with a greatly needed domestic water supply from the Colorado River would require a large block of the power for pumping purposes.

Although the testimony clearly indicated an ample and waiting market, yet in view of the whole situation the Secretary of the Interior in his report on the bill of January 12, 1926, suggested the following very simple and practicable plan of determining the question of adequacy of such market and thus removing this problem from the field of speculation:

"In order to give assurance before any large expenditure is incurred that the anticipated revenues from this development will be obtained, the bill should contain a provision that before any bonds are issued

and sold and before awarding any contracts for construction the Secretary of the Interior shall secure the execution of contracts with irrigation districts, municipalities, and corporations, on terms to be fixed, for the delivery of all water to be supplied for irrigation, domestic, and municipal uses, and shall obtain definite commitment for the purchase of power from responsible bidders in an amount to insure a sufficient return from this development to repay the money to be expended with interest within a period of 50 years."

This suggestion was cheerfully accepted by the proponents of the legislation, met with the approval of the committee, and is expressed in the bill, section 4 (b) of which provides:

"Before any money is appropriated or any construction work done or contracted for the Secretary of the Interior shall make provision for revenues, by contracts or otherwise, in accordance with the provisions of this act, adequate, in his judgment, to insure payment of all expenses of operation and maintenance of said works incurred by the United States and the repayment, within 50 years from the date of the completion of the project, of all amounts advanced to the fund under subdivision (b) of section 2, together with interest thereon."

As power at the dam will be cheap power (its estimated sale price at the switchboard of the power plant below the dam is 3 mills per kilowatt-hour), it may be confidently expected that this somewhat unsual and rigorous requirement will promptly be met.

The plan of the Boulder Canyon project as expressed in the bill contemplates allocation of the power or power rights at Boulder Canyon amongst various agencies, including political subdivisions, municipalities, domestic water-supply districts, and private companies.

The evidence clearly indicates that the total power developed at Boulder Canyon will about supply the available waiting market when such power is ready for distribution. There should not be any serious overlapping of applications, and the proper allocation to all agencies in the market for the power should be easily possible without doing injustice to any.

With such a distribution of power or power rights at the dam all danger of monopolization will be avoided, and there will be created a sound competitive condition between these various agencies which will insure the consuming public protection in the form of reasonable rates and good service.

One other point is here entitled to mention. Early in the hearings it was suggested that the bringing in at one time of this great block of power would flood the market and work hardships on private investments. This suggestion was due to lack of understanding of the plans. Power may be made available when the dam reaches the necessary height for power-plant operation and may be gradually increased to the total amount as the dam reaches its maximum height, or approximately during a period of three years. Thus the power will enter the market gradually.

It has been urged by some that a development at Boulder Canyon does not fit in with a comprehensive plan of development of the river. The committee is satisfied that this is not so. Other development may proceed without interference by reason of this project. Secretary Hoover in his testimony regarding the location of the dam declared:

"I do not believe that construction at that point is going to interfere with the systematic development of the Colorado River for storage and power above and below."

### Part VI. Financial Soundness of Project

#### FINANCIAL SET-UP

The Secretary of the Interior, in his report of January 12, 1926, gives his estimate of the financial working of the project as follows:

*Capital investment*

| | |
|---|---|
| Estimated cost for— | |
| 26,000,000 acre-foot reservoir | $41,500,000 |
| 1,000,000-horsepower development | 31,500,000 |
| The all-American canal | 31,000,000 |
| Interest during construction on above five years at 4 per cent | 21,000,000 |
| Total | 125,000,000 |

*Annual operation*

| | |
|---|---|
| Estimated gross revenues from— | |
| Sale 3,600,000,000 kilowatt-hours' power, at 0.3 cents | $10,800,000 |
| Storage and delivery of water for irrigation and domestic purposes | 1,500,000 |
| Total | 12,300,000 |
| Estimated fixed annual charges for— | |
| Operation and maintenance, storage and power | 700,000 |
| Operation and maintenance all-American canal | 500,000 |
| Interest on $125,000,000, at 4 per cent | 5,000,000 |
| Total | 6,200,000 |

Estimated annual surplus, $6,100,000, or thought to be sufficient to repay the entire cost in 25 years.

It will be observed that the allowances he makes for operation and maintenance are extremely liberal. The testimony points to costs being more favorable than thus indicated.

#### COST ESTIMATES HAVE BEEN CAREFULLY MADE

The cost estimates given by the Secretary of the Interior are the result of long and painstaking studies of that department. Mr. F. E. Weymouth, then chief engineer of the Reclamation Service, under whose personal supervision the major part of the studies were made, testified before the House committee as follows:

"We have on our consulting staff Mr. A. J. Wiley and Mr. Louis Hill, and we have consulted them regularly in reference to this whole problem. We have had several engineering board meetings to consider the various phases of the problem, especially in reference to types of dams and methods of construction and cost of all that sort of thing. They were outside of our regular engineering force."

Asked about the engineers in his organization, he stated:

"Mr. Walker Young, who is present to-day, has had charge of the investigations in Boulder Canyon for about three and a half years. Mr. Young had more to do than anybody else in the actual working out of the detailed designs and estimates, but he at all times had the advice of our chief designing engineer, Mr. J. L. Savage, whose headquarters are now in Denver, and also of the whole designing force of that office.

* * * * * * *

"Mr. Savage has under his charge about 25 or 30 engineers of all kinds. * * * In addition to that we have had the assistance of Mr. Gaylord, who was until very recently our chief electrical engineer, and his assistants, and Mr. Dibble and his assistants. In the study of the water supply the irrigable areas and the control of the river for flood or for power purposes Mr. Debbler, who is here to-day, has made most of those studies.

* * * * * * *

"We had Mr. Ransome, a geologist of the Geological Survey, make a very exhaustive geologic examination and report on the Boulder Canyon reservoir and dam site, and Mr. Jenison, of the Geological Survey, also assisted him. The Bureau of Standards has done a lot of work for the service in testing materials for construction. There is another man that I forgot to mention, a very valuable engineer and geologist, Mr. Homer Hamlin. The most work that has been done, perhaps, was done by Mr. Arthur P. Davis while he was the director of the service.

* * * * * * *

"Well, we have utilized our regular forces a great deal; Mr. James Munn, who was formerly a contractor and is, perhaps, one of the best construction men in the country. We have had his advice, especially in reference to unit costs that we have used in the estimates."

Concerning the advisory board, composed of Mr. Wiley and Mr. Hill, he said:

"We have considered with them each step that we have taken as it came up and it has had their approval." (Hearings on H. R. 2903, 68th Cong., 1st sess., pp. 741–743.)

#### RETURN OF ADVANCES FULLY ASSURED

The provisions of the bill and the character and solvency of the organizations with which the Secretary will contract assures to the Government full return of the money advanced with interest. It will be no experiment. The Secretary will not be contracting with organizations of doubtful solvency. As to domestic water, as well as power for pumping purposes, his contracts will be with cities or an association of cities with an assessed wealth of well over a billion dollars; irrigation water will be delivered under enforcible contracts to proven and established districts that have been in successful operation for many years; and power, which is the great financial asset of the project, will be sold to such applicants as the State of Nevada, the State of Arizona, the cities of Los Angeles, Pasadena, Riverside, and Glendale, in California, and to strong private corporations like the Southern California Edison Co., operating in southern California. Each of these agencies has expressed intentions of becoming an applicant for power. These contracts will be binding and enforcible, and the Secretary is not permitted to make any expenditures on the project until such contracts are secured.

### Part VII. Analysis of Bill

The bill has been very carefully shaped. In its present form it carries the full approval of the Secretary of the Interior. Financial features came from the Treasury Department. Many rather technical provisions intended for the protection of upper-basin States originated with the water commissioners of Colorado, Wyoming, and Utah.

Section 1 states the purposes of the project, to wit:

(a) Controlling the floods and regulating the flow of the lower Colorado River.

(b) Providing for storage and delivery of the waters of the river for reclamation and other beneficial uses and for generation of electrical energy, the last as a means of making the project a self-supporting and financially solvent undertaking.

The section also authorizes the works essential to carry out these purposes, to wit:

(a) A dam at Boulder or Black Canyon in the Colorado River adequate to create a storage of not less than 20,000,000 acre-feet.

(b) An all-American canal for the delivery of water to lands in Imperial and Coachella Valleys.

(c) A power plant at the dam for the generation of electrical energy from the waters discharged from the reservoir created by the dam.

(Section 6 leaves the construction of the power plant optional with the Secretary of the Interior. He may, if he finds it feasible for financial and other reasons, lease the right to use the water thus discharged.)

Section 2 contains the main financial provisions of the bill. It was prepared by the Secretary of the Treasury.

Subdivision (a) establishes a special fund into which all revenues must be paid and from which all expenditures are to come.

Subdivision (b) authorizes the Secretary of the Treasury to advance to the fund up to $125,000,000, from which amount moneys are to be paid back to the General Treasury to cover interest on advancements. Of this amount approximately $21,000,000 is for interest during construction.

Subdivision (c) makes moneys from the fund available for construction and operation and maintenance purposes, upon the usual appropriations being made.

Subdivisions (d) and (e) prescribe the accounting requirements necessary to maintain the integrity of the fund and to charge beneficiaries of the project with retirement of advances and interest, as well as maintenance and operation.

Subdivision (f) authorizes the Secretary of the Treasury to borrow money, if necessary, to meet appropriations to the fund.

Subdivision (g) provides for a retirement, if any, of obligations by payments made by beneficiaries on account of retirement of principal.

Section 3 is the usual technical provision to meet legislative practice, authorizing appropriations to the fund for carrying out the project.

Section 4 (a) requires certain action by interested States affecting water rights before the bill becomes operative.

Section 4 (b) requires full advance financing of the project before any outlays are made.

Section 5 authorizes the Secretary of the Interior to make contracts for storage and delivery of water for irrigation and domestic purposes and for sale of power at switchboard to meet financial requirements of the act.

After the Government has been repaid with interest all of its advancements, charges for use of the dam and works at the dam shall be on such basis as Congress may authorize. The effect of this provision when taken in connection with provisions in section 6 that the title to the dam and works there shall always remain in the Government is to allow the Government to have these great works even after they have been paid for by the beneficiaries.

By this section no attempt is made to segregate charges against different uses of the project. The whole project is considered as a unit, and such segregation is left to the judgment and discretion of the Secretary.

The section outlines briefly some of the requirements respecting sale of power.

(a) Contracts are limited to 50 years.

(b) Provision is made for renewals along the lines provided in the Federal water power act for renewals of licenses.

(c) Prices for electrical energy are to be fixed to meet revenue requirements, and determination of conflicting applications are to be governed by the provisions of Federal water power.

(d) The Secretary of the Interior may require larger agencies securing power to permit smaller agencies to share in transmission lines.

Section 6 requires that water shall be released from the dam, first, in the interest of flood control and river regulation; second, in the interest of irrigation and domestic uses; and, lastly, for power, thus making power a subordinate use. The title to the dam and works at the dam are always to remain in the United States, which will manage and control the same. There is a proviso in this section, however, permitting the Secretary of the Interior either to lease units of the power plant if he elects to construct the power plant or instead of constructing a power plant to lease the privilege of using water discharged for the generation of power. If he pursues either of these alternatives, various provisions of the Federal water power act intended to safeguard the public interest will govern the Secretary.

Section 7: Under section 7 the Secretary of the Interior is authorized in his discretion, when the United States has recouped all of its advancements with interest on account of the entire project, to transfer title to the canal to agencies paying therefor. Lands paying for the canal are given certain privileges to utilize power privileges created by drops in the canal to aid in meeting their obligations toward repayment of the cost of the works.

Section 8 subordinates the project to the terms of the Colorado River compact.

Subdivision (a) requires appropriations of water to be made under the laws of a ratifying State.

Subdivision (b) requires the United States or its licensees to observe the terms of the compact.

Subdivision (c) contemplates the making of a subsidiary compact between Arizona, California, and Nevada for the equitable division of benefits arising from the use of the waters of the river.

Subdivision (d) is a technical provision deemed appropriate by law officers of the Government to permit the United States to take advantage of certain rights granted it in the Arizona constitution.

Section 9 provides for reclamation and settlement of public lands with preference rights given to ex-service men and women.

Charges against this land under the reclamation law will go into the fund provided. It is doubtful if this section will be used to any extent, as the plans of the Interior Department contemplate contracts under section 5 with responsible irrigation agencies, which will make payments for water adequate to meet all financial requirements, and which agencies will, under existing laws, take into their boundaries public lands subject to service from the canal.

Section 10 preserves an existing contract between Imperial irrigation district and the United States by which the former has the right to connect with Laguna Dam. The district has already paid a substantial sum on this contract.

Section 11 contains definitions.

Section 12 approves the Colorado River compact, either upon a seven-State or six-State ratification.

Subdivision (b) of this section makes any rights of the United States to the waters of the Colorado River subordinate to the terms of the compact so approved.

Subdivision (c) requires that all privileges from the United States respecting the public lands shall be impressed with the terms of the compact, to which approval is given in subdivision (a).

Subdivision (d) is merely supplementary to provisions of subdivision (c).

Section 13 declares the act to be a supplement to the reclamation law, which is made to govern where not inconsistent.

In a great project such as this many details may properly be referable to a general law such as the reclamation act.

Section 14 authorizes an appropriation of $250,000 from the fund created for investigations in the upper Colorado River Basin.

Section 15 merely gives a short title for the act.

CONCLUSION

This is a project which should appeal both to the imagination and the hard business sense of the American people. A mighty river now a source of destruction is to be curbed and put to work in the interest of society. The dam will be one of the stupendous engineering works of the world. The reservoir created will be by far the largest artificial body of water in existence and outside of the Great Lakes the largest body of water in the Nation. Lands now desert and worthless will be brought into productivity. New homes will come into being. New wealth will be created.

The people of the Southwest are not asking of the Government this great public improvement as a gift. All they ask is that the Government lend its good offices to make this development possible. Established communities and responsible agencies will bind themselves to return to the Government not merely all moneys expended but all moneys expended with interest. The varied interests concerned with the development make a centralized agency necessary. The Government under the plan of the development assumes this agency. The beneficiaries assume all the financial obligations. Nor is this quite all. After the development is paid for the Government still will retain ownership and control of the dam for such use as the Congress may deem wise and just.

It is a great constructive improvement, not experimental, sound financially, well considered, shaped in the public interest, one the consummation of which will be a source alike of national pride and advantage.

INDORSEMENTS OF PROJECT

Besides numerous indorsements of State organizations and counties, cities, and other organizations of more or less local nature, including the Boulder Dam Association, an organization composed of some 200 public bodies in California, Nevada, and Arizona, it has been indorsed by the following national organizations:

American Farm Bureau Federation.
National Association of Real Estate Boards.
American Legion.
National United Spanish War Veterans.
American Federation of Labor.

IMPEACHMENT OF JUDGE GEORGE W. ENGLISH

The VICE PRESIDENT. The Chair notes the presence of the Senator from Nebraska [Mr. NORRIS] and the Senator from Vermont [Mr. GREENE], who have not taken the required oath in the impeachment proceedings. If there are any other Senators who have not taken the oath required in the impeachment proceedings, will they present themselves at the bar of the Senate and take the oath? The Chair now also notes the presence of the Senator from Alabama [Mr. UNDERWOOD].

Mr. CARAWAY. I wish also to present myself to take the oath, Mr. President.

Mr. GREENE, Mr. NORRIS, Mr. UNDERWOOD, and Mr. CARAWAY advanced to the Vice President's desk, and the Vice President administered to them the following oath:

You do, each of you, solemnly swear that in all things appertaining to the trial of the impeachment of George W. English, district judge of the eastern district of Illinois, now pending, you will do impartial justice, according to the Constitution and laws. So help you God.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 43. An act authorizing the President to issue an appropriate commission and honorable discharge to Joseph B. Maccabe;

S. 493. An act for the relief of the owner of the steamship *British Isles;*

S. 494. An act for the relief of all owners of cargo aboard the American steamship *Almirante* at the time of her collision with the U. S. S. *Hisko;*

S. 553. An act for the relief of Fred V. Plomteaux;

S. 613. An act for the relief of Archibald L. Macnair;

S. 850. An act for the relief of Robert A. Pickett;

S. 959. An act for the relief of Tena Pettersen;

S. 977. An act for the relief of A. V. Yearsley;

S. 1360. An act for the relief of the estate of William P. Nisbett, sr., deceased;

S. 1481. An act to authorize the President to appoint Capt. Curtis L. Stafford a captain of Cavalry in the Regular Army;

S. 1519. An act for the relief of the P. Dougherty Co.;

S. 1609. An act to increase the pensions of those who have lost limbs or have been totally disabled in the same, or have become totally blind in the military or naval service of the United States;

S. 1803. An act for the relief of Walter W. Price;

S. 1938. An act to issue a patent to John H. Bolton; and

S. 3538. An act authorizing the Secretary of the Interior to pay legal expenses incurred by the Sac and Fox Tribe of Indians of Oklahoma.

The message also announced that the House had passed the bill (S. 2091) for the relief of Florence Proud, with an amendment, in which it requested the concurrence of the Senate.

The message further announced that the House had severally agreed to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendment of the Senate to each of the following bills:

H. R. 8190. An act authorizing the construction of a bridge across the Colorado River near Blythe, Calif.;

H. R. 8908. An act granting the consent of Congress to George Washington-Wakefield Memorial Bridge, a corporation, to construct a bridge across the Potomac River;

H. R. 8918. An act authorizing the construction of a bridge across the Mississippi River at or near Louisiana, Mo.;

H. R. 8950. An act granting the consent of Congress to the State of Minnesota to construct a bridge across the Minnesota River at or near Shakopee, Minn.; and

H. R. 9688. An act granting the consent of Congress to the construction, maintenance, and operation of a bridge across Sandusky Bay at or near Bay Bridge, Ohio.

The message also announced that the House had passed bills and resolutions of the following titles, in which it requested the concurrence of the Senate:

H. R. 531. An act for the relief of John A. Bingham;

H. R. 815. An act for the relief of O. H. Lipps;

H. R. 894. An act granting jurisdiction to the Court of Claims of the United States;

H. R. 965. An act for the relief of C. B. Wells;

H. R. 1465. An act for the relief of Arthur F. Swanson, and for other purposes;

H. R. 1580. An act authorizing the Secretary of the Interior to sell and patent to David A. Vincent certain lands in Oklahoma;

H. R. 1828. An act for the relief of J. M. Holladay;

H. R. 1961. An act for the relief of B. G. Oosterbaan;

H. R. 2166. An act for the relief of Anthony Mullen;

H. R. 2184. An act for the relief of James Gaynor;

H. R. 2209. An act for the relief of C. T. Kitchen;

H. R. 2210. An act for the relief of R. E. Neumann and wife;

H. R. 2333. An act for the relief of Katherine Rorison;

H. R. 2491. An act for the relief of Gordan A. Dennis;

H. R. 2635. An act for the relief of Mrs. W. H. ReMine;

H. R. 2680. An act for the relief of the estate of Charles M. Underwood;

H. R. 2715. An act for the relief of the widow of W. J. S. Stewart;

H. R. 2724. An act for the relief of A. S. Guffey;

H. R. 2892. An act for the relief of Kenneth A. Rotharmel;

H. R. 2906. An act for the relief of Emile Genireux;

H. R. 2993. An act for the relief of Harry McNeil;

H. R. 2994. An act for the relief of Harry J. Dabel;

H. R. 3064. An act for the relief of Richard H. Beier;

H. R. 3253. An act for the relief of Lieut. Commander Garnet Hulings, United States Navy;

H. R. 3278. An act for the relief of A. S. Rosenthal Co.;

H. R. 3382. An act for the relief of Louis Martin;

H. R. 3625. An act for the relief of John Doyle, alias John Geary;

H. R. 4117. An act for the relief of J. Walter Payne;

H. R. 4119. An act for the relief of Edward R. Ledwell;

H. R. 4124. An act for the relief of the State Bank & Trust Co., of Fayetteville, Tenn.;

H. R. 4158. An act for the relief of Sophie J. Rice;

H. R. 4189. An act for the relief of the Chamber of Commerce of Montgomery, Ala., Jack Thorington, and 39 others;

H. R. 4325. An act to revoke and set aside a discharge without honor, issued to Wade W. Barber, Bancroft, Nebr., October 28, 1899;

H. R. 4902. An act for the relief of Washington County, Ohio, S. C. Kile estate, and Malinda Frye estate;

H. R. 5063. An act for the relief of P. H. Donlon;

H. R. 5293. An act to authorize the President, by and with the advice and consent of the Senate, to appoint Capt. George E. Kraul a captain of Infantry, with rank from July 1, 1920;

H. R. 5341. An act for the relief of Ruphina M. Armentrout;

H. R. 5441. An act for the relief of Geraldine Kester;

H. R. 5486. An act for the relief of Levi Wright;

H. R. 6003. An act for the relief of Charles B. Beck;

H. R. 6080. An act for the relief of J. M. Hedrick;

H. R. 6418. An act to correct the military record of Lester A. Rockwell;

H. R. 6466. An act for the relief of Edward C. Roser;

H. R. 6615. An act for the relief of Nohle-Gilbertson Co., a corporation, of Buford, N. Dak.;

H. R. 6696. An act for the relief of Edward J. O'Rourke, as guardian of Katie I. O'Rourke;

H. R. 7027. An act for the relief of J. B. Elliott;

H. R. 7134. An act for the relief of Henry T. Hill;

H. R. 7617. An act to authorize payment to the Pennsylvania Railroad Co., a corporation, for damage to its rolling stock at Raritan Arsenal, Metuchen, N. J., on August 16, 1922;

H. R. 7776. An act for the reimbursement of Emma Pulliam;

H. R. 7809. An act for the relief of H. H. Hinton;

H. R. 7943. An act for the relief of Mrs. G. A. Guenther, mother of the late Gordon Guenther, ensign United States Naval Air Corps;

H. R. 8715. An act to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right of way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 28, 1916;

H. R. 8766. An act for the relief of Edward J. Boyle;

H. R. 8794. An act to credit the accounts of W. W. House, special disbursing agent, Department of Labor;

H. R. 8846. An act for the relief of Cyrus Durey;

H. R. 8896. An act for the relief of Enriqueta Koch v de Jeanneret;

H. R. 9035. An act for the payment of claims for damages to and loss of property, personal injuries, and for other purposes incident to the operation of the Army;

H. R. 9274. An act to release and quitclaim title of certain lands to Holyman Battle and his successors in interest;

H. R. 9775. An act for the relief of Sherman Miles;

H. R. 11446. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war;

H. J. Res. 98. Joint resolution for the relief of R. S. Howard Co.; and

H. Con. Res. 23. Concurrent resolution authorizing the printing of the Madison Debates of the Federal Convention and relevant documents in commemoration of the one hundred and fiftieth anniversary of the Declaration of Independence.

ANNIVERSARY OF THE BIRTH OF EDWIN MARKHAM

Mr. COPELAND. Mr. President, yesterday was the anniversary of the birth of Edwin Markham, the poet of the poor and oppressed and a writer on sociological subjects. I ask unanimous consent to have printed in the RECORD a very brief address delivered by the British ambassador on Edwin Mark-

ham at the meeting of the International Longfellow Society, Washington, D. C., February 21, 1926.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF THE RIGHT HON. SIR ESME HOWARD, BRITISH AMBASSADOR, INTRODUCING EDWIN MARKHAM AT THE MEETING OF THE INTERNATIONAL LONGFELLOW SOCIETY, FIRST CONGREGATIONAL CHURCH, WASHINGTON, D. C., TUESDAY AFTERNOON, FEBRUARY 21, 1926

As part of the program of this afternoon it is my agreeable duty to present to you Mr. Edwin Markham, poet of renown and writer on sociology. Mr. Markham is not only conspicuous for the high poetic standard of his verse but also for the fact that like Robert Burns he has worked with his hands, as a shepherd during his boyhood and later as a farmer and blacksmith, and therefore when he wrote his world-renowned poem, The Man with the Hoe, he was writing of something which he knew about from personal experience, and not merely as a sympathizer, who had never gone through the mill himself, might write. That is no doubt the secret of its great success and of the success of many of Mr. Markham's other writings.

Mr. Markham's sympathy, so well expressed, with those who toil and have few of life's pleasures and advantages make him exceptionally the poet of this age, of this century, which will see, we may hope, the emancipation of the workingman to a degree never before dreamt of. Poets of a former age—Byrons, Shelleys, Swinburnes—were enamored of liberty in their own way, but it was of political liberty as an ideal, impalpable thing, as the philosophers and poets of past ages saw it. Mr. Markham goes further and sings of the personal and spiritual liberty which it must now be our aim to find for those who have suffered from the oppression of the life of dull and colorless drudgery which the reign of the nineteenth century industrialism has made too often the common fate of the mass of mankind, even in countries where political liberty has existed for generations.

And so Mr. Markham wrote something that went to the heart of the people when he wrote his Man with the Hoe and addressed the masters, lords, and rulers in all lands, and asked them what account they would give to God of "this handiwork of theirs, this monstrous thing distorted and soul quenched," and asked:

How will you ever straighten up this shape;
Touch it again with immortality;
Give back the upward looking and the light;
Rebuild in it the music and the dream;
Make right the immortal infamies,
Perfidious wrongs, immedicable woes?

The only poem that I can remember that could be in any way compared to this is Elizabeth Barrett Browning's poem The Cry of the Children, which helped so greatly the passage of the first factory acts in England and the emancipation of young children from the serfdom of those days of uncontrolled industrialism.

But Mr. Markham is not only the poet of the poor and the oppressed; he can also understand and unfold for us the joys of the gifts of nature, and I should like, if I may, to read you one poem of his which for me has all the outdoor freshness and the joyful lilt of Swinburne at his best:

AN OLD ROAD

A host of poppies, a flight of swallows;
A flurry of rain, and a wind that follows
Shepherds the leaves in the sheltered hollows,
For the forest is shaken and thinned.

Over my head are the firs for rafter;
The crows blow south, and my heart goes after;
I kiss my hands to the world with laughter—
Is it Aidenn or mystical Ind?

Oh, the whirl of the fields in the windy weather!
How the barley breaks and the blows together!
Oh, glad is the free bird afloat on the heather—
Oh, the whole world is glad of the wind!

PETITION

Mr. JONES of Washington presented a petition of sundry citizens of Spokane, Wash., praying for the passage without amendment of the so-called railway labor bill, which was referred to the Committee on Interstate Commerce.

NATIONAL COUNCIL OF AMERICAN INDIANS

Mr. BAYARD. I ask unanimous consent to present a petition from the National Council of American Indians to the Senate and further ask unanimous consent that it may be printed in the RECORD.

There being no objection, the petition was referred to the Committee on Indian Affairs and ordered to be printed in the RECORD, as follows:

Petition of the National Council of American Indians to the Senate of the United States of America assembled, under amendment 1 of the Constitution

"Congress shall make no law * * * abridging * * * the right of the people peaceably to assemble and to petition the Government for a redress of grievances."

*To the Senate of the United States of America assembled:*

When in the course of human events a civilized state asserts by virtue of an alleged right of discovery the power of preemption in an aboriginal territory, it assumes before the Great Spirit who rules over the destinies of mankind and under the law of nations an obligation for those whose possession it displaces which neither emperors nor sovereign peoples may avoid.

Wherefore since the allegiance of the Indian tribes subject to the sovereignty of the United States was secured by treaties between the United States and the said tribes whose aboriginal rights were guaranteed by the United States in treaties with the sovereignties of Great Britain, France, Spain, Mexico, and Russia; and

Whereas it was by virtue of these solemn treaty compacts which the honorable Senate of the United States alone had power to ratify that the constitutional rights of the Indian inhabitants of the United States vested in them:

Now, therefore, in the exercise of the right of petition guaranteed by the first amendment of the Constitution, the National Council of American Indians, on behalf of the Indian citizens of the United States, addresses that its petition to the Senate of the United States assembled for the redress of their grievances, setting forth and alleging the manifold wrongs that are being done them by the Congress and the Government of the United States in violation of the terms and the spirit of the said treaties and the Constitution of the United States, as follows:

I

THE CONSTITUTIONAL RIGHTS OF THE INDIAN CITIZENS

When the Government of the United States, by virtue of the power conferred upon it by the Articles of Confederation, assumed political jurisdiction over the Indian tribes occupying the territory ceded to the United States in the treaty of peace between the United States and Great Britain, having guaranteed their rights in the said treaty, it adopted the policy of dealing with them as communities politically dependent upon the United States, but independent of the authority of any State. Accordingly, by proclamation of September 22, 1783, it forbade all persons from dealing with the Indian tribes without the express authority and direction of the United States in Congress assembled.

At the time the proclamation of 1783 was published the Indian tribes within the United States were organized in a National Confederacy, which on behalf of the Indians claimed that under the laws of Great Britain the territory the tribes then inhabited was owned by the tribes in common and that no one tribe acting alone could convey any interest in its domain. The Indian National Confederacy, therefore, presented a formal petition to Congress in which it was declared that upon the advice of their late sovereign, His Britannic Majesty, King George III, and the British Government, the Indian tribes were ready and willing to attorn to the sovereignty of the United States, but that they had no power to act separately and that an attempt to deal with them separately would most certainly result in serious trouble, which the Indians were anxious to avoid. Therefore, Congress was urged to kindle one great council fire at which to treat with the Indian National Confederacy and to settle by a general congress all questions between the United States and the Indians.

The Congress of the United States refused, however, to recognize the Indian National Confederacy as a medium through which a common understanding might be had with the Indian tribes of the United States and in the face of a second petition and the solemn protest and warning of the Indian National Confederacy proceeded to negotiate separate treaties with the Six Nations, or the Iroquois League, at Fort Stanwix, N. Y., in 1784, the Wyandottes, Delawares, Chippewas, and Ottawas at Fort McIntosh, Ohio, in 1785, the Cherokee, Choctaw, and Chickasaw Nations at Hopewell, S. C., and the Shawnees on the Miami in 1786, whereby the tribes separately were induced to cede vast tracts of Indian territory out of which Congress desired to create a public domain. Thus, despite the most earnest efforts on the part of the Indians to guard against a certain cause of conflict between them and the new Government, the Congress of the United States adopted a policy which completely ignored the claims of the Indians. Moreover, notwithstanding the proclamation of 1783, the thirteen States continued to deal with the Indian tribes independent of the authority of the United States, so that the Indian tribes found themselves being summoned from time to time to 14 different council fires and, though friendly to the United States and ardently desirous of adjusting all differences with the new sovereignty, knew not to what authority to look. Over and over General Washington counseled the Congress and the States against the folly and the injustice of this course, with the result that when the Constitution was drafted the sole and exclusive

right to regulate commerce with the Indian tribes was expressly conferred in Article I, section 8, upon the Congress of the United States, and by Article I, section 10, the States were forbidden to enter into any treaty, alliance, or confederation, while Article II, section 2, conferred on the President the exclusive power, by and with the advice of the Senate, to make treaties.

The provisions of the Constitution with respect to the treaty-making power were at once interpreted by the Federal Government to include treaties with the Indian tribes, and in the first appropriation act of Congress, or the act of August 20, 1789 (1 Stat. 137), a monetary provision was made for the negotiation of Indian treaties by United States commissioners.

Notwithstanding the clear and express provisions of the Constitution, however, the States continued to deal with the Indians and to preempt the communal lands of Indian tribes through the medium of contracts with individual Indians who had no title to convey, so that on July 22, 1790, upon the repeated protests of the tribes, it became necessary for Congress, at the instance of President Washington, to pass the first so-called Indian intercourse act, or the act of July 22, 1790 (1 Stat. 137), expressly forbidding the States, whatever their right of preemption might be, from entering into a treaty with an Indian tribe. This statutory inhibition was reenacted successively in 1793, 1796, 1799, 1800, 1802, 1834, and 1847, and remains the law of the United States to-day. In 1790 President Washington, after explaining the law, declared in a solemn message to the Indian tribes:

"The General Government will never consent to your being defrauded, but will protect you in all your just rights."

In this pledge of the Nation, made on its behalf by one whom the Indians to-day delight in honoring as "The Great Grandfather," the Indian tribes find their charter of rights. With such a pledge for them no treaties or decisions of the Supreme Court would have been necessary. But as time went on it was soon apparent to the Indians that the other people of the United States were not like themselves, and that the solemn pledge of their great chief was not to be respected by them. Still, the acknowledged and guaranteed property rights of the Indian tribes were ignored by the States and people of the United States, which was inevitably to lead to innumerable wars. The Congress of the United States had by its policy destroyed the power of the Indian National Confederacy to control its members. The tribes had been detached from it and isolated. Yet, as declared by President Harrison, in not one instance did a tribe take to the war-path until every peaceful means of self-protection had been exhausted.

After the great war of the Ohio tribes and the battle of the Fallen Timbers, the great Indian chief, Little Turtle, counseled the western tribes to keep the peace, and appearing before the legislatures of the several States pleaded with them for laws to protect the Indians, and especially to prevent the introduction of the white man's fire-water among them, which was debauching and destroying our people. But the unrestrained encroachments upon their lands continued, and when, in 1802, President Jefferson acquired the Louisiana Territory from France, it was at once proposed in Congress to forcibly remove all the Indians east of the Mississippi to that region. It was then that the great Indian statesman, Tecumseh, no longer obedient to the counsels of Little Turtle, undertook for purely defensive purposes to reorganize the Indian National Confederacy, and to fix a new and definite boundary beyond which the Indian tribes might dwell unmolested.

This, however, was not to be. In the absence of Tecumseh the Indian prophet was provoked into a conflict, and upon the death of Tecumseh all power of cooperation by the tribes vanished forever. A decade of rapine and slaughter then followed which left the Indians of the East utterly defenseless and at the mercy of those who insisted upon taking their remaining lands.

It was now that the Indians, having pleaded in vain to Congress, sought the protection of the Supreme Court of the United States, with the result that in 1823, 1831, and 1832 three great fundamental decisions were handed down by Chief Justice Marshall, which left no doubt as to what were the Indian tribal property rights. That those rights were guaranteed by the several treaties between Great Britain and the United States and protected by the Constitution was expressly declared.

At this time, however, the Government of the United States refused to enforce the mandates of the Supreme Court. Recognizing at last the weakness of the Government which had asserted its sovereignty over them, all the tribes east of the Mississippi, with the exception of the Six Nations, were of necessity compelled to yield up their domains by so-called treaties of cession and migrate to the Indian Territory.

Thus, the State of Georgia had been allowed to nullify the laws of the United States and this course encouraged the people of Alabama to threaten secession rather than submit to laws designed to protect the Indians. In a message to Congress the President stated that only a few Indians remained east of the Mississippi and that the Treasury of the United States had been enriched in one year $11,00,000 through the sale of vacated Indian lands.

Nevertheless, the policy of Congress, in theory at least, at this time was clearly defined with respect to the compensation of the tribes for the land they were forced by circumstances to yield.

Thus, in the report of the Committee on Indian Affairs of the United States House of Representatives, submitted in 1830, dealing with the constitutional right of Congress to take Indian lands, it was said:

"The Indians are paid for their unimproved lands as much as the privilege of hunting and taking game upon them is supposed to be worth, and the Government sells them for what they are worth to the cultivator. * * * Improved lands or small reservations in the States are in general purchased at their full value to the cultivator. To pay an Indian tribe what their ancient hunting grounds are worth to them after the game is fled or destroyed as a mode of appropriating wild lands claimed by Indians has been found more convenient, and certainly it is more agreeable to the forms of justice, as well as more merciful, than to assert the possession of them by the sword. Thus, the practice of buying Indian titles is but the substitute which humanity and expediency have imposed in place of the sword in arriving at the actual enjoyment of property claimed by the right of discovery and sanctioned by the national superiority allowed to the claims of civilized communities over those of savage tribes * * *." (21st Cong., 1st sess., H. Rept. No. 227, Feb. 24, 1830.)

As time went on the United States acquired more and more territory from France, Spain, Great Britain, and Mexico; in each treaty of cession the property rights of the Indian inhabitants were guaranteed in express terms. As declared by the Supreme Court in 1835 in the case of Delassus v. United States (9 Pet. 117), their property rights, guaranteed by these treaties, were protected by the Constitution. Nor was it ever assumed that Congress in the exercise of its undoubted plenary political power over the Indian tribes could confiscate their property. Said the Supreme Court in 1866 in the case of the Kansas Indians (5 Wall. 755):

"If they have outlived many things, they have not outlived the protection offered by the Constitution, treaties, and laws of Congress."

In theory only, however, were the rights of the Indians secure. The infringement of their property rights continued ceaselessly under the preemption act of 1842, and the great railway acts and the homestead act of 1862, no adequate provision having been made for the protection of the Indians against the lawless horde of land grabbers that was turned loose by those laws upon their lands. Upon the conclusion of the war between the States, in which the allegiance of the Indians was divided upon the issue of slavery, it was seriously proposed to confiscate the Indian Territory as a penalty for the disloyalty of the Indian adherents to the Confederacy.

The Great Chief of the Nation at this time was President Grant, who, like Presidents Washington, Monroe, and Harrison, was a just man and a friend to the Indians. Like them, he knew that the wars which the Government had waged against our helpless people were unjustifiable, and that the armed force of the Nation had been utilized in response to local political demands as an agency by means of which to despoil them of their lands. He also knew that the so-called Indian treaties, which were in fact seldom authorized by the tribes or voluntary in any real sense, were but another means in the hands of Government agents to the same end. Therefore, he caused to be enacted the statute of March 3, 1871 (16 Stat. 566; R. S. 2079), abolishing Indian treaties and substituting Executive agreements therefor, but expressly providing that no right acquired under an Indian treaty should be invalidated or impaired.

In laying down his great work of emancipating the Indians, President Grant said in his second inaugural address to Congress in 1873:

"Our superiority of strength and advantages of civilization should make us lenient toward the Indian. The wrong inflicted upon him should be taken into account and the balance placed to his credit. The moral view of the question should be considered, and the question asked, can not the Indian be made a useful and productive member of society by proper teaching and treatment? If the effort is made in good faith, we will stand better before the civilized nations of the earth and in our own consciences for having made it."

Such, in brief, has been the history of the Indians from which it is to be seen that they are entitled to the same protection under the Constitution as any other citizens of the United States. Yet, the plain facts of history are that the people of the United States shed their blood without stint to confer the human rights guaranteed to all men by the Constitution upon the negro slaves they imported from the jungles of Africa; at the same time they shed their own blood and that of the Indians to deny to the Indians those same human rights. To-day there are pending in Congress, as we shall show, legislative measures designed for the express purpose of further divesting the Indians of their rights and despoiling them of property which was voluntarily ceded to them at a time when it was believed to possess no value in exchange for what was taken from them by force. These facts we will undertake to establish in any judicial

tribunal to which you may give us access just as we have proved similar ones in the past that are clearly recorded in the decisions of the Supreme Court.

II

THE INDIAN CITIZENS ARE TO-DAY WITHOUT A REMEDY AT LAW FOR THE INVASION OF THEIR CONSTITUTIONAL RIGHTS

Having shown what are the constitutional rights of the Indian citizens, we now propose to show that Congress has denied to the Indian citizens a legal remedy for their wrongs.

By the act of March 3, 1854, Congress created the Court of Claims and conferred on it jurisdiction to hear and determine claims against the United States, but by the act of March 3, 1863, it withdrew therefrom jurisdiction to entertain claims arising out of treaties that were not pending before it on December 1, 1862. (Judicial Code 153, R. S. 1066.)

This general limitation in its application to Indian treaties is most unjust to the Indians. After they had attorned to the sovereignty of the United States and were declared to be dependent communities, the tribes could no more enter into a treaty with the United States than could a State or a subdivision thereof. Plainly, the so-called Indian treaties, being mere engagements between a sovereign State and dependent tribes, were nothing more than contracts, though endowed with a very high degree of solemnity, a fact which was fully recognized by Congress when the making of further treaties was prohibited, and executive agreements were substituted therefor as a medium of dealing with the tribes. Yet, the fact remains that the Court of Claims was left with jurisdiction to adjudicate an executive agreement made on March 4, 1871, though shorn of jurisdiction over what was in fact an executive agreement if the same happened to have been dated March 2, 1871.

The effect of the act of March 3, 1863, was therefore nothing less than to render ineffective the constitutional guaranties, since no remedy for Indian wrongs under agreements made prior to 1863 remained, and to render nugatory the express provision of the act of March 3, 1871, with respect to the sanctity of Indian treaty rights.

Such is the law to-day. Consequently, since Indian citizens possessing rights under a so-called Indian treaty have no legal remedy under the law for their acknowledged constitutional rights, in order to enforce the contractual obligations of the United States, unlike other citizens, they are compelled to resort to lobbies to procure special jurisdictional acts conferring on the Court of Claims jurisdiction to adjudicate their contracts.

Nor are the jurisdictional acts which at great expense and injury to themselves the Indians succeed in procuring more than partially remedial, since it is the policy of Congress to fix in them an arbitrary maximum price that may be recovered under them for the property taken by the United States from the tribes, and to deny interest on this arbitrary value from the time the property was taken, at the same time requiring full credit to be given the United States for all its expenditures on behalf of the owners, even where the expenditures would have been made had their property not been taken. Thus these so-called remedial jurisdictional acts affirmatively deny to the Indians the just compensation to which under the Constitution and the laws of the United States they are entitled, since just compensation includes the fair value of the property taken for the public use with interest thereon until the time of payment when payment is withheld. In other words, ignoring the constitutional right of the Indians to just compensation, by refusing to provide a legal remedy and compelling the Indians to depend upon special jurisdictional acts, Congress enables the guardian Government to take Indian property and pay therefor what it chooses. We do not think that is just.

But the injustice of Congress in providing no legal remedy for the legal injuries suffered by the Indians, and in denying to them the redress guaranteed by the Constitution, is only one injustice that is done the Indian citizens of the United States by Congress.

Until recently they were not free to employ counsel in a proper and economic way. Under section 2103, Revised Statutes, noncitizen Indians could only enter into contracts with attorneys that were approved by the Secretary of the Interior and the Commissioner of Indian Affairs, and the policy of those officers has long been to approve only contracts that provide for the contingent compensation of the attorneys and the bearing of all the expense of the litigation by the attorneys. Such a policy not only makes the attorneys champertous, contrary to the canons of the American Bar Association, but inasmuch as it requires attorneys to finance Indian litigation makes it impossible for the Indians to employ attorneys who can not afford to accept legal business on such terms.

Although Revised Statutes, 2103, is not applicable to Indian citizens, the evil of the old policy is perpetuated by Congress, since the special jurisdictional acts invariably limit the compensation of attorneys to a contingent fee and make no provision for the expense of the litigation.

The evil effects of the necessity of attorneys financing Indian litigation are readily imagined, some of which, including the barratry that it promotes, are among the greatest causes of unrest among the tribal Indians. As a consequence, to-day there is a positive bad odor about Indian litigation which discourages many members of the higher bar from becoming involved in it. Nor are the funds in the hands of the Government to the credit of the Indians available to them for the purpose of employing reputable and able attorneys and financing their litigation.

Plainly, there should be some provision in the law for the utilization of Indian tribal funds in the hands of the Secretary of the Interior for Indian litigation. But we submit that to give an administrative bureau any control over the legal remedies pertaining to the property it is required to administer, by making the use of Indian funds for litigation, or the selection of attorneys subject in any way to its control, is fundamentally unsound, since it violates the principle that a financially responsible agency should not have the power to avoid its own liability even in the most indirect way. The Commissioner of Indian Affairs himself has only recently very properly declared that he would be glad to be rid of all responsibility for contracts between the Indians and their attorneys.

Still another legal disadvantage to which the Indians are subject is the bar of section 1069, Revised Statutes, that section requiring that even those claims which the Indians are free to file in the Court of Claims must be filed within six years from the time the same first accrued. By this means the United States effectually escapes liability to its wards for violations of their rights, since they are seldom advised of their rights in time to enforce them. In other words, by this statute the guardian-trustee in effect nullifies the equitable doctrine that laches may not be invoked against the ward. Inasmuch as the guardianship which Congress continues to assert over our people is only justifiable upon the theory that they are incapable of protecting their property, we submit that it is not just for Congress to hold them to the same degree of responsibility as other people for failing to assert their legal rights, which it was the duty of the guardian Government to do, and by means of a statute of limitations make it possible to convert the property it holds in trust for us.

There are many other unjust discriminations in the law against the Indians with respect to their remedies which can not in good faith be justified, and which it would seem the conscience of Congress would require it to remove upon their being called to its attention. These unjust discriminations, we believe, exist not through design but because of unintentional oversight. Nevertheless, a sweeping reform of the existing law with respect to Indian legal remedies is imperatively necessary if justice is to be done the Indians by affording them the power at law to compel a proper accounting on the part of the guardian Government of its trust.

III

THE CONSTITUTIONAL RIGHTS OF THE INDIAN CITIZENS ARE DENIED AND IGNORED BY THE GUARDIAN GOVERNMENT

It is not necessary to state here what are the obligations of a political guardian. The law of the civilized nations with respect thereto was fully reviewed in a special report to the Secretary of State in 1919 by Alpheus Henry Snow, in a comprehensive work entitled "The Question of Aborigines in the Law of Nations" (Putnam, 1921). Suffice it to say that the principles of an enlightened guardianship as laid down in that work were recognized as applicable to the American Indians by the Department of State in the answer of the United States to the memorial of His Britannic Majesty in the recent case of the Cayuga Indians, decided by the American-British claims arbitration in January, 1926. A guardianship is a trust, and a political no more than a private individual guardian can convert the trust property, whatever control may be exercised over the wards and their property. Yet, the Government of the United States does not hesitate to contend that Congress, in the exercise of its plenary authority over the Indians may dispose of their property as it may see fit without legal liability on the part of the United States, notwithstanding the fact that it has been held over and over by the courts that a property right that has become vested in an Indian may not be repealed by Congress. Thus but recently an assistant to the Attorney General argued in the Circuit Court of the District of Columbia, on behalf of the Secretary of War, the Secretary of the Interior, the Secretary of Agriculture, and the Federal Power Commission, in the case of Super et al. *v.* Weeks et al., that if Congress converted Indian property there was no legal remedy on the part of the Indians, since the political power of Congress was not subject to judicial control.

Does Congress know that the Department of Justice advocates such principles in the courts of the United States and that the Indian citizens are compelled to expend their substance in combating such contentions?

Your petitioners further call attention to the fact that while this contention was being made by an assistant to the Attorney General in 1924, in the case mentioned, the Solicitor General of the United States was coincidently arguing in the Supreme Court of the United States, on behalf of the United States, precisely the opposite view in the case of the United States *v.* Title Insurance & Trust Co. (265 U. S. 472).

We do not think it is fair that the Indian citizens should be dealt with by the Department of Justice of the guardian Government in this inconsistent way, yet the case described is typical of the Government's course in dealing with our people, and we can not believe that it has any serious regard for our rights.

For instance, notwithstanding the law prohibiting the making of treaties by a State with an Indian tribe, the State of New York, in 1824, presumed to negotiate a treaty with four chiefs of the St. Regis Tribe whereby the tribe is said to have ceded to the State lands the possession of which was guaranteed to the Indians by a treaty between them and the United States. The State of New York deeded away the lands by State patents, and in 1925 suit was brought in the United States District Court, Northern District of New York, to eject the present occupants, among whom are a number of large corporations. In this suit the State of New York intervened as a defendant and filed a motion to dismiss the bill on the ground that no Federal question was involved and that the plaintiff, being an Indian, was without legal capacity to sue. Whereupon the St. Regis Tribe made formal demand upon the United States, or the guardian Government, through the Secretary of the Interior, to intervene as a party plaintiff on its behalf and thereby not only give the United States undoubted jurisdiction to determine the case on its merits but to protect its own title and carry out the guarantee of its treaty. In opposition to this demand, the assistant attorney general of New York appeared in Washington, and subsequently intervention by the United States was refused, presumably in obedience to the time-worn argument that intervention by it would upset private titles of long standing. Nevertheless, the United States is to-day suing the State of Minnesota in an exactly similar case. In that case it is not asking that private titles be upset but only that the State compensate the Chippewa Tribe for the lands taken by it, which is all that justice requires.

In another case, in which an Indian citizen sought the remedy of injunction in a Federal court against the Secretary of the Interior, after filing a motion to dismiss the bill, the Secretary of the Interior did not hesitate to address a letter to the court requesting it not to render any decision, even if the plaintiff were legally entitled thereto. Thus it is seen that, even where legal rights exist and are established in court, the Government assumes to attempt to set aside the remedies of the law.

We do not propose here to indulge in any assaults upon individuals, who after all are but cogs in the rusty gears of Indian bureaucracy. But over and over the grievances of our people have been presented to the Committees on Indian Affairs, and always the answer is the same. Though their grievances are admitted, they are told that Congress will not pass the laws that are necessary to do them justice unless those laws are approved and advocated by the Government. In this cycle of indifference they find themselves helpless.

And what does the Government of its own motion do for them?

A recent instance affords but a fair example.

There was recently transmitted to the chairmen of the Committees of Congress on Indian Affairs, by the Secretary of the Interior, with the indorsement of the Commissioner of Indian Affairs, a bill introduced in the House of Representatives as H. R. 7826, providing that the reservation courts of Indian offenses should have power to sentence an Indian citizen to jail for six months for such offenses as were not punishable under Federal law, without the presentment or indictment of a grand jury, without trial by jury, or due process of law in any other respect.

The judges of these petty administrative tribunals are laymen appointed upon the authority of the Commissioner of Indian Affairs and receive a stipend of $10 a month. A search of the law of the civilized nations of to-day discloses but one such tribunal in existence and that in French African Congo. The proposed law, we are advised, is unconstitutional in no less than five respects, but it is by such instrumentalities that the guardian Government proposes to civilize its Indian wards.

According to the opinion of Mr. Attorney General Stone, of May 27, 1924, the tribal right of occupancy extends to the exclusive enjoyment of the minerals on the Indian reservations. Nevertheless, there are pending before this Congress bills earnestly supported by the oil interests of the United States which are designed to divest the Indian citizens of their rights in their mineral properties, and these bills have received the unqualified indorsement of the Department of the Interior. In this connection we particularly call the attention of the Senate to the speech of the Hon. JAMES A. FREAR, of Wisconsin, in the House of Representatives, Thursday, March 4, 1926, fully reported in the CONGRESSIONAL RECORD of that date, along with the opinion of the Attorney General. In the said speech much evidence was presented to show that Indian tribes have been charged by the Department of the Interior and the Indian Office with the cost of bridges, highways, and other public works, without their knowledge and consent, and that the said works were not constructed for the benefit of those required to pay for them. Such a practice by the guardian trustee of our funds constitutes, we are advised, nothing less than confiscation of our property.

It has been shown that the Indian citizens of the United States are wholly dependent even for the partial remedy that is sometimes afforded them by special jurisdictional acts for their constitutional rights upon the influence which they are able to exert upon Congress. But under the fiscal policy of the present administration the procuring of remedial acts has become almost impossible, however meritorious a claim may be, for the reason that the Secretary of the Interior and the Commissioner of Indian Affairs are constrained by that policy to oppose all bills in conflict with the fiscal policy of the President. Before a remedial bill is approved by either it must receive the approval of the Director of the Bureau of the Budget, who in turn appears to be governed by a policy that opposes any tax upon the Treasury for the relief of the Indian citizens that is not approved by the President. Such a policy makes justice for the Indian citizens depend not upon the merits of a claim and their constitutional rights, but upon considerations of fiscal economy. Under it the Secretary of the Interior and the Commissioner of Indian Affairs, who are specially charged by law with the administration of the national trust of guardianship over the Indians and their property, are compelled to abandon their obligations at law to the Indian citizens and, in effect, make themselves the guardians of the National Treasury. Moreover, we believe it to be in its practical effect a clear invasion of the prerogatives and the usurpation of the functions of the legislative and judicial departments by the executive department.

Such a policy is defended upon the ground that the Government has plenary authority to dispose of Indian property as it sees fit without recourse on the part of the owners to the courts. Plainly this construction of the law gives to the Government more than plenary authority but absolute authority.

The Government of the United States can have no greater power than was given to it by the people who created it out of their sovereignty. In order to guard against the danger that the central Government would exceed its powers, they wrote into the Constitution of the United States a bill of rights which forbade in express terms the taking of private property without just compensation.

They then divided the Government into three departments—executive, legislative, and judicial. These departments were but the agencies through which government was to be administered. Plainly, if the Government which the people created was expressly forbidden to take private property without just compensation, no one of its agents can do so, since an agent can not possess a power greater than its principal. And it may well be said that when the Constitution expressly conferred upon all those subject to it an inviolable right of property it was necessarily implied that they should have a legal remedy for their rights. Yet by their course both the legislative and executive departments have denied to the Indian citizens of the United States such a remedy, and the fact is that to-day they have not the remedy that is open to alien visitors to the United States.

In view of the facts revealed herein it must be apparent to Congress that without regard to past neglects or to present maladministration of Indian affairs a complete reformation of the Indian system is necessary and that an intelligent scientific study of the Indian problem should, in justice to itself, let alone our people, be made.

## IV

### THE SOCIAL AND ECONOMIC SITUATION OF THE INDIAN CITIZENS OF THE UNITED STATES

It has been shown what are the legal and practical discriminations existing against the Indian citizens of the United States. We now propose to point out to the Senate their social and economic grievances.

When the United States in 1776 asserted its sovereignty over the ancestors of the Indian citizens of the United States they had no conception of land as property. They conceived of the earth as a mother who provided food for her children. For our people the land was like the air. Being something necessary to the life of mankind, it was not deemed by them to be subject to appropriation by individuals to the exclusion of others. But as population increased and an unlimited area was no longer open to any one tribe the tribal communities were compelled to stabilize more and more, and thus as their range became restricted of necessity they began to cultivate the soil in order to add to the spontaneous fruits of nature. An increasingly permanent tribal occupancy gradually led to a claim or right to possess the tract from which the tribe drew its sustenance, but the conception of an individual title had not yet evolved among the Indians when they came in contact with European society and the individualistic economic order. The tribal title was still a communal title. The individual communist owned nothing. He could convey nothing, transmit nothing of the tribal wealth to his posterity, and the only rights which he or his children possessed were derived not by inheritance but merely from a present membership in the tribe.

The consequence of this order of life, that is, a combination of tribal organization and ownership in common, was marked. The Indian was in every instinct a natural communist, a fact which carried with it certain definite implications.

As pointed out by the Right Rev. Hugh L. Burleson, bishop of South Dakota, an eminent Christian worker among our people who has a deep

and sympathetic understanding of them, few white men have understood Indian nature because they have approached life from a different angle. Said he:

"The angle is this: The Indian thinks in terms of his group. The white man always thinks of himself first and his group last, approaching things from the viewpoint of the individual. The Indian's point of view is that of the group; his relation to and his responsibility for the group. He thinks in group terms. He has a socialized concept of life. Society has been a definite thing to which he was not responsible. The family life and the tribe life have an immediate bearing upon all his actions."

Nevertheless, the law of the United States has affirmatively tended to preserve the aboriginal nature of the Indians, since the Indian tribes were early given a legal status and characterized by the law as domestic communities of the nature of municipal corporations. And though Congress has ever exercised a plenary control over these communities which were declared by the Supreme Court to be dependent upon the United States and subject to the paramount authority of Congress, it has permitted them to regulate their domestic affairs in accordance with their own laws, in so far as possible, while of those laws the courts have consistently taken judicial notice. Not only then has the law of the United States affirmatively tended to preserve the Indian social unit of the tribe, but the aboriginal economic order as well, so that instead of transforming Indian nature it has perpetuated it in all its fundamental characteristics.

In dealing with the Indians, however, Congress has utterly failed to take cognizance of the economic implications of the social organization of the Indians in communities coupled with their system of ownership in common. It has utterly ignored the fact that being communists by nature they are fundamentally different in their outlook upon life from the national society in which it has sought to absorb them, and has not only not prepared them but has encouraged their native incapacity to compete as individuals with that society. Certainly much of the disappointment that has been experienced with the red man, and practically all of the injury that has been done our race, may be traced directly to this fact.

In 1776 there were approximately 180,000 Indian inhabitants east of the Mississippi River. They had been taught by the colonists in the war between Great Britain and France to engage in the conflicts of the white man and tutored in the European art of war. Moreover, no sooner than the American Revolution was proclaimed than their military alliance with the United States was solicited by the Continental Congress. It was only when they rejected this offer of alliance that they were condemned for their participation in the War of American Independence against the United States. Upon the conclusion of that conflict efforts were made at once to dispossess them, despite the guaranties of their property rights contained in the treaty of peace between Great Britain and the United States. By nature, unable without passing through an educative process to transform themselves from communism to the individualistic economic order, the tribal Indians had either to resist these efforts and fight to maintain the only existence they were capable of understanding or perish when the communal property was taken and their tribes dispersed. Tenacious of their lands, the specious plea that they had merited a just punishment now cloaked the lust of the unscrupulous for their property. Despite the fact that for centuries the tribes east of the Mississippi had been domiciled in definite domains and engaged in agricultural pursuits, they were now conveniently represented by the frontiersman as barbarous nomads, without attachment to the soil. The fact that those tribes which had, perforce, adopted a roving mode of life had been uprooted from the soil by the intruding whites was ignored. Thus, in 1784 a celebrated Kentucky editor, speaking for the rising democracy of the West, declared they had no more rights than the buffalo and that their extirpation would do honor to those effecting it. It was to such views—typical of the ever-advancing frontier—that Congress was responsive, so that when the Louisiana Territory was acquired in 1802 the plea to remove the tribes to a region to be carved out of the wilderness of the West and set apart to them as the Indian Territory, approved as it was by President Jefferson, at once found favor. From that time, for the eastern tribes, the handwriting of a dreadful fate was upon the wall.

In the vain hope of saving his people, it was now that Tecumseh proclaimed his philosophy of Indian nationalism founded upon the conception that not only the tribal Indians but the Indian tribes as such owned all the remaining Indian lands in common and that for them to part with their lands meant their certain destruction, in view of their inherent incapacity as individuals. Moreover, his scheme of salvation for his race embodied the holy campaign preached by his brother, The Prophet, for the moral regeneration of our people, who were being debauched by their contacts with the hitherto unknown vices of European civilization.

But Tecumseh was not alone in his efforts to save the race. Like him, many of our chieftains had pleaded from the first for that education which they saw was necessary to transform the Indians from communism and confer upon them capacity to survive in competition with the peoples of Europe. In vain, too, President Washington and Benjamin Franklin, two of the wisest and most just men known to history, urged that education be given the Indians. And in 1820 President Monroe caused to be submitted to Congress the report of the Rev. Jedediah Morse on the condition of the Indian tribes which he had caused to be made to the Secretary of War, in which the duty of Congress was pointed out with irrefutable logic, as follows:

"The Government, according to the law of nations, having jurisdiction over the Indian territory and the exclusive right to dispose of its soil, the whole Indian population is reduced, of necessary consequence, to a dependable situation. They are without the privileges of self-government, except in a limited degree, and without any transferable property. They are ignorant of nearly all the useful branches of human knowledge, of the Bible, and of the only Savior of men therein revealed. They are weak and ready to perish; we are strong, and with the help of God able to support, to comfort, and to save them. In these circumstances the Indians have claims on us of high importance to them and to our own character and reputation as an enlightened, just, and Christian Nation. In return for what they virtually yield, they are undoubtedly entitled to expect from our honor and justice protection in all the rights which they are permitted to retain. They are entitled, as 'children' of the Government, for so we call them, peculiarly related to it, to kind paternal treatment, to justice in all our dealings with them, to education in the useful arts and sciences, and in the principles and duties of our religion. In a word, they have a right to expect and to receive from our civil and religious communities combined that sort of education, in all its branches, which we are accustomed to give to the minority of our own population, and thus to be raised gradually and ultimately to the rank and to the enjoyment of all the rights and privileges of freemen and citizens of the United States. This I conceive to be the precise object of the Government. If we fulfill not these duties, which grow naturally out of our relation to Indians, we can not avoid the imputation of injustice, unkindness, and unfaithfulness to them—our national character must suffer in the estimation of all good men. If we refuse to do the things we have mentioned for the Indians, let us be consistent and cease to call them 'children' and let them cease to address our President as their 'Great Father.' Let us leave to them the unmolested enjoyment of the territories they now possess and give back to them those which we have taken away from them.

* * * * * * *

"As the Government assumes the guardianship of the Indians, and in this relation provides for their proper education, provision also should be made for the exercise of a suitable government and control over them. This Government unquestionably should be in its nature parental—absolute, kind, and mild, such as may be created by a wise union of a well-selected military establishment and an education family. The one possessing the power, the other the softening and qualifying influence, both combined would constitute, to all the purposes requisite, the parental or guardian authority."

It can not be said, therefore, that it was because the duty of Congress was not made plain to it from the first by the more enlightened chieftains of the Nation that our race was neglected. Yet it was 42 years after the United States of America, born in the cradle of human liberty, and offering an asylum to the persecuted peoples of Europe, assumed responsibility for our helpless race before the first appropriation of Congress was made in 1818 for the education of the Indians, and the paltry and wholly inadequate sum of $10,000 then provided underwent no annual increase for many years.

Doomed by half a century of violence and neglect, the fate of the eastern tribes was sealed. Through the tragic ordeal to which the young Republic had subjected them the western tribes were soon to pass. Upon them the preemption law of 1842, the railway acts, and homestead act of 1862 turned loose a horde of ruthless settlers with no provision whatever for the protection of the Indians. It was only after 55 official wars had been waged against the dependent Indian subjects of the United States that President Grant was able at last to stay the Government's mailed hand. But even then, in 1870, he was compelled to adopt the reservation system as the only possible means to save the remnants of the race from complete destruction.

Justifiable as the adoption of that system under the circumstances may have been, it was not conceived by its originator that the reservations provided by Congress were to be utilized as permanent economic prisons for a race on which to keep it incarcerated forever. It was fundamental in President Grant's scheme to save the Indians that in these temporary asylums, where they could be concentrated and protected by the national police, they should be prepared by education to take their place as citizens in the national society.

But how has Congress cooperated in this scheme of enlightening our race?

Sitting Bull and Chief Joseph, the maligned successors of Tecumseh, were but a living protest against a vicarious sacrifice to the reservation system as administered by the Government. One by one Little Turtle, Tecumseh, Black Hawk, Osceola, Sitting Bull, and Chief Joseph fell

martyr to the cause of Indian liberty. The present shackles of the reservations were slowly but surely welded upon their people.

The annual reports of the Commissioner of Indian Affairs give no intimation of the facts. For instance, in the report for the current year it will not appear that recently reservation Indians, without fuel, were compelled to subsist on horseflesh and roots, and that when Government aid for them was sought the past fall it was denied until the National Red Cross investigated the situation. In one tribe, among the most loyal Indian subjects of the United States, 10 per cent of its people were found to be destitute, without adequate food, shelter, and clothing. Is there any wonder that the number of Indians decreased from 403,000 in 1910 to 320,497 in 1924?

Does it do any good, is it any excuse, to say that these Indians are improvident, and that if they had not leased but had cultivated their lands intelligently they would be well provided?

Can the capacity of children to deal with property be assured merely by giving them the property?

When the Government overthrew the aboriginal economic order in which the Indian tribes were self-sufficient and inclosed the tribes in desert reservations, did it not owe them more than to hand them a hoe and a plow and leave them to become skilled agriculturists?

Is it not only too obvious that justice for our people demands more than reservations and implements and police to see that they are not disturbed in their possessions?

Unless this generation is trained to meet the responsibilities of the life enforced upon it, how is the next to be rendered more competent?

That the reservation system as presently administered is adequate to the needs of our race is refuted by the unescapable fact that, 150 years after the United States assumed responsibility for it of the 162,602 full-blood Indians who remain, only a small part speak the English language. Can any system that has produced such a result at the end of a century and a half be said to be an effective one for the purpose of transforming an aboriginal race and conferring on it the capacity to compete with a hostile economic order?

The limits of time, space, and patience forbid a recital of all the defects of the existing system of the United States with respect to its Indian wards, but in answer to those who would continue it we need only propound three questions.

Are the tribal Indians to be herded like the few remaining buffalo on reservations forever, not even speaking the language of the Nation in the ranks of which they are called upon to shed their blood?

Are they to go on breasting the current of modern progress in this age of steam power and electricity equipped only with an aboriginal paddle and canoe?

If not, what plan has Congress for the eventual emancipation of our race?

We are informed of none save that which has disproven itself.

That the tribal Indians on the reservations have not been rendered self-sustaining and competent to compete in the economic order of the Nation is apparent. Nor will it advance them to teach them to depend upon national charity. That will only destroy the character of the race.

It must be plain, too, that the policy of allotting Indian communal lands in severalty does not promise to solve the Indian economic problem. Experience has shown that the allotment of Indian tribal lands in many cases merely creates an estate for the white man, with the result that many of our people who are lured away from their tribal relations merely fall victim to their own incapacity in the hostile economic society in which they have not been prepared by adequate education and training to compete. Allotment, therefore, in justice to our people, since it is capable of such a result, must be more carefully administered by the guardian whose duty it is to prevent the dissipation of the wards' estate.

Nor do we ask the Senate to accept our judgment as to the necessity for a reformation of the existing governmental system with respect to Indian property.

One of the last remarks attributed to Lincoln, the great American humanitarian, was: "If I survive the existing crisis, I will reform the Indian system." See statement of the Rt. Rev. Henry B. Whipple (9 Minn. Hist. Soc. Collects. (1901), p. 141).

Many years later, in what is commonly conceded to be the most searching and accurate survey of the Government of the United States (The American Commonwealth, revised ed., 1924, p. 88), James Bryce said:

"He [the Secretary of the Interior] is chiefly occupied in the management of the public lands * * * and with the conduct of Indian affairs, a troublesome and unsatisfactory department, which has always been a reproach to the United States, and will apparently continue so till the Indians themselves disappear or become civilized."

The charge is not exaggerated. From the administrative reports of the Department of the Interior for the fiscal year ending June 30, 1914 (1915), Volume I, page 4, the following words of Franklin K. Lane, Secretary of the Interior, are quoted:

"That the Indian is confused in mind as to his status and very much at sea as to our ultimate purpose toward him is not surprising. For a hundred years he has been spun around like a blindfolded child in a game of blind man's bluff. Treated as an enemy at first, overcome, driven from his lands, negotiated with most formally as an independent nation, given by treaty a distinct boundary which was never to be changed 'while water runs and grass grows,' he later found himself pushed beyond that boundary line, negotiated with again, and then set down upon a reservation, half captive, half protégé.

"What could an Indian, simple thinking and direct of mind, make of all this? To us it might give rise to a deprecatory smile. To him it must have seemed the systemized malevolence of a cynical civilization. * * * Manifestly, the Indian has been confused in his thought because we have been confused in ours."

What more is necessary to substantiate our views?

Here, in the language of the executive agent intrusted with the management of Indian affairs, expressed but recently, is a condemnation of the system by which those affairs are managed that is unanswerable. What we have said but supports the declarations of Mr. Lane.

CONCLUSION

In presenting this petition to the Senate of the United States on behalf of the Indian citizens of the United States the National Council of American Indians assumes a responsibility for which it must answer both to the Senate and to the Indian citizens. The justice of its demands is its answer.

The council has but one purpose, the organization of a constructive effort to better the Red Race and make its members better citizens of the United States. These objects it can not attain unless the Indians are accorded the rights essential to racial self-respect and a spirit of loyalty to the United States. It is for that reason alone that it presents their grievances.

The council is well aware that in the laudable effort which it proposes to make it will not have the encouragement of certain agencies of the Government. Fearing the power that comes of union, even now agents of the Government advise the tribes not to join it. The blind support of things as they are is made the one test of loyalty to the United States. Those who do not indorse this idea or that or seek to prove wherein one of them may be wrong, even though the program for the Indians includes their imprisonment and the administration of their estates without due process of law, are branded as malcontents. Such is ever the case in a struggle between progress and the forces of bureaucratic reaction. We know that it is only to be expected that those forces will persist in that diplomacy which proved so effective in breaking up the Indian National Confederacy and which has ever since kept the Indians disrupted. But though there may be malcontents among the Indians the National Council of American Indians will not lend itself to an attack upon anyone or any agency of Government that does not stand in the path of progress. Those who seek to resist legislation designed to benefit the Indians will themselves create the opposition.

Until now our people have been interpreted by an agency or Government that by its own program has shown that it is entirely out of sympathy with them. Against that agency we make but one charge, and that is that it is no different from any other bureaucracy. It was inevitable that it should become inflexible; that in its effort to sustain itself it should have largely forgotten its true purpose—to emancipate the Indians from the guardianship committed to it and thereby render its own function unnecessary.

There are fundamental characteristics of human nature which may be denied but which can not be destroyed. In seeking to overcome the inertia of the present Government we do not attack individuals but a system which we believe must be reformed, and no fear of the temporary loss of favor will deter the council from voicing the legitimate aims and aspirations of our race.

It can not be gainsaid with reason that the Indians have proven their capacity for self-government whenever an opportunity therefor has been afforded them. For nearly a century the so-called Five Civilized Tribes, although uprooted from their immemorial domains and cast into a wilderness, have governed themselves and administered their own estates, sorely beset all the while by hostile influences. During the war between the States our people fought in both armies. Our young men served as police during the turbulent frontier days, loyally supporting the Government even against their own hard-pressed people. Plainly they were deemed trustworthy by the Government that employed them.

In the late war the Indians responded to the call of the country with a unanimity of support in manhood and money unequaled by any other race. Of more than 17,000 who entered the military service, only 212 sought exemption. We were told that it was by virtue of the service of our young men and the blood sacrifice which through them our race made in the common cause of the Nation that national citizenship was conferred upon all native-born Indians. At any rate, the conferring of citizenship upon them was an act on the part of Congress which came of its own volition. It was not solicited by the Indians. Nevertheless, it is by virtue of that citizen-

ship for which Congress determined the fitness of our race that we demand certain things.

We do not pretend to say how all the existing evils with respect to the Indians and Indian affairs are to be corrected, and the Indian problem eventually solved. We do know, however, that our race is entitled to the redress of its grievances and relief from its present intolerable situation; that it is not charity that it requires, nor the overhasty distribution of its estate, but adequate education, practical guidance in the utilization and enjoyment of its property, personal liberty commensurate with the dignity of a free people, and the fair and efficient administration of their estate by the guardian-trustee thereof, and a clarification of the multiplicity of laws dealing with them and their property.

This, then, is our program and one in support of which reason must unite all Indian citizens and their well-wishers.

With these conditions of life assured to them, the Indians who remain and their posterity will take their place in the social and economic life of the Nation just as our young warriors took their place in the embattled ranks of 1917.

We ask the Senate to decide in all fairness if there is anything in such demands that should arouse opposition to our aims; that can justify for us the brand of malcontents which reactionary governmental agents would place upon us.

In the answer of the United States to the memorial of His Britannic Majesty, in the case of the Cayuga Indians, before the American-British Claims Arbitration, the Department of State recently said:

"The right of domain, which vested in a nation the ultimate fee to the land, carried with it the exclusive right of acquiring from the various Indian tribes inhabiting it their rights to the soil, which were considered as limited to a right of use or occupancy of the lands, respectively used by such tribes for their hunting grounds. This limited right of use or occupancy might be lost by the Indian tribes through abandonment or forfeited by their engaging in war against the sovereign, and it might be and in some instaces was extinguished by purchase from the Indians by persons authorized by the sovereign. This dominant right in a sovereign to extinguish the Indian right to use or occupy lands, of which the ultimate fee is in the sovereign, is commonly called the right of preemption. It precludes not only other powers, but also the subjects of the sovereign, without his express authority, from acquiring the Indian right of use or occupancy of lands."

Elsewhere in the same proceeding it was declared:

"It is this example which the United States since they became by their independence the sovereigns of the territory have adopted and organized into a political system. Under that system the Indians residing within the United States are so far independent that they live under their own customs and not under the laws of the United States; that their rights upon the lands where they inhabit or hunt are secured to them by boundaries defined in amicable treatics between the United States and themselves; and that whenever those boundaries are varied it is also by amicable and voluntary treaties by which *they receive from the United States ample compensation for every right they have to the lands ceded by them.*" (Italics added.)

Thus it is seen that the United States has not only pledged itself to the Indians but to its sister nations on their behalf.

Are these solemn international declarations to be given the weight of truth?

Or will the Government go on talking two ways, and tell our people when they call on it for the fulfillment of its pledges that it meant one thing to the Indians and another to others.

Our people speak but one language. They may be ignorant of all the ways and cultures of mankind other than their own, but the language they speak to those with whom they have smoked the peace pipe has but one possible meaning, and in the simple candor of their nature they have never sought to give it another. Untutored in the reservations of governments which speak two languages, they can not love or respect a government that speaks more than one to them. Yet, although they ask for nothing that the Government of the United States has not in its might voluntarily declared belongs to them, when they appeal to the Government it tells them Congress would never pass a bill giving them that much, and it is useless to ask Congress for their own property.

If that much, along with the protection of its laws and the human liberties guaranteed all men by its great writing, the United States will not yield to them, they can only regard its declarations and the decisions of its courts as meaningless, and the citizenship that has been conferred upon them as a sham to increase their liabilities without in fact according them the rights of human beings, much less those of citizens.

A time there was when the protest of our race against injustice was voiced in the war cries that rose from the primeval forest. No less audibly shall this protest resound through the hills and vales of our Fatherland, echoing the far-carrying appeals of justice and reason, never to be silenced until the pledge of the Nation, made to us by the Great Grandfather, and sealed by our blood on the fields of France, is redeemed.

Wherefore, and in view of the distressing situation in which our race finds itself, though endowed with the constitutional rights of citizenship, we humbly petition the Senate and pray that our grievances be considered by the Senate of the United States which ratified all those several treaties into which our people in good faith entered with the United States, and that our grievances set forth herein be brought to the attention of Congress in such a way as will insure their prompt redress.

NATIONAL COUNCIL OF AMERICAN INDIANS,
By GERTRUDE BONNIN, *President.*

## REPORTS OF COMMITTEES

Mr. GOODING, from the Committee on Agriculture and Forestry, to which was referred the bill (H. R. 292) to authorize the Secretary of Agriculture to acquire and maintain dams in the Minnesota National Forest needed for the proper administration of the Government land and timber, reported it with an amendment and submitted a report (No. 655) thereon.

Mr. McLEAN, from the Committee on Banking and Currency, to which was referred the bill (S. 4018) to authorize the Secretary of the Treasury to prepare a medal with appropriate emblems and inscriptions commemorative of the poet, Henry W. Longfellow, reported it without amendment and submitted a report (No. 656) thereon.

Mr. STANFIELD, from the Committee on Public Lands and Surveys, to which was referred the bill (H. R. 9559) granting certain public lands to the city of Altus, Okla., for reservoir and incidental purposes, reported it without amendment and submitted a report (No. 658) thereon.

Mr. RANSDELL, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 3473) to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, and for other purposes, reported it without amendment and submitted a report (No. 659) thereon.

Mr. BINGHAM, from the Committee on Commerce, to which was referred the bill (S. 3804) granting the consent of Congress to W. D. Comer and Wesley Vandercook to construct, maintain, and operate a bridge across the Columbia River between Longview, Wash., and Rainier, Oreg., reported it with amendments and submitted a report (No. 660) thereon.

Mr. MAYFIELD, from the Committee on Interstate Commerce, to which was referred the bill (S. 3889) to amend the interstate commerce act as amended in respect of tolls over certain interstate bridges, reported it without amendment and submitted a report (No. 661) thereon.

Mr. SHEPPARD, from the Committee on Commerce, to which was referred the bill (S. 3768) authorizing construction of dam or dams in Neches River, Tex., reported it with amendments and submitted a report (No. 663) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, submitted a report (No. 664) to accompany the bill (H. R. 7893) to create a division of cooperative marketing in the Department of Agriculture; to provide for the acquisition and dissemination of information pertaining to cooperation; to promote the knowledge of cooperative principles and practices; to provide for calling advisers to counsel with the Secretary of Agriculture on cooperative activities; to authorize cooperative associations to acquire, interpret, and disseminate crop and market information, and for other purposes, heretofore reported by him.

## BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CURTIS (for Mr. CAPPER):

A bill (S. 4077) authorizing James L. Borroum and Francis P. Bishop to bring suits in the United States District Court for the State of Kansas for the amount due or claimed to be due to said claimants from the United States by reason of the alleged inefficient and wrongful dipping of tick-infested cattle, and giving said United States District Court for the State of Kansas jurisdiction of said suit or suits; to the Committee on Claims.

By Mr. McKINLEY:

A bill (S. 4078) granting a pension to Abraham Block;

A bill (S. 4079) granting a pension to Michael Harkins;

A bill (S. 4080) granting a pension to Jennie Carpenter;

A bill (S. 4081) granting a pension to John W. Walcott (with accompanying papers);

A bill (S. 4082) granting a pension to Celia A. Reed (with an accompanying paper); and

A bill (S. 4083) granting a pension to Sallie B. Glenn; to the Committee on Pensions.

A bill (S. 4084) for the relief of John W. Pruitt (with accompanying papers); to the Committee on Military Affairs.

By Mr. SMOOT:

A bill (S. 4085) to strengthen the Harrison narcotic act of December 17, 1914, as amended, and for other purposes; to the Committee on Finance.

By Mr. UNDERWOOD:

A bill (S. 4086) to quiet title and possession with respect to certain lands in Baldwin County, Ala.; to the Committee on Public Lands and Surveys.

By Mr. SHORTRIDGE:

A bill (S. 4087) for the relief of William R. Markt; to the Committee on Finance.

By Mr. HARRELD:

A bill (S. 4088) for the relief of A. B. Cameron; to the Committee on Claims.

By Mr. JOHNSON:

A bill (S. 4089) granting a pension to Rosanna Hoover; to the Committee on Pensions;

A bill (S. 4090) granting a right of way to the county of Imperial, State of California, over certain public lands for highway purposes;

A bill (S. 4091) granting a right of way to the county of Imperial, State of California, over certain public lands for highway purposes; and

A bill (S. 4092) authorizing and directing the Secretary of the Interior to sell certain public lands to the Cabazon Water Co., issue patent therefor, and for other purposes; to the Committee on Public Lands and Surveys.

By Mr. ODDIE:

A bill (S. 4093) for the relief of Capt. Chauncey Shackford, United States Navy, retired; to the Committee on Naval Affairs.

By Mr. WADSWORTH:

A bill (S. 4094) to amend an act entitled "An act to incorporate the American Social Science Association"; to the Committee on the District of Columbia.

PROTECTION OF MIGRATORY BIRDS

Mr. KING (by request) submitted an amendment intended to be proposed by him to the bill (S. 2607) for the purpose of more effectively meeting the obligations of the existing migratory bird treaty with Great Britain by the establishment of migratory bird refuges to furnish in perpetuity homes for migratory birds, the provision of funds for establishing such areas, and the furnishing of adequate protection of migratory birds, for the establishment of public shooting grounds to preserve the American system of free shooting, and for other purposes, which was ordered to lie on the table and to be printed.

He also submitted the following resolution (S. Res. 209), which was referred to the Committee on Agriculture and Forestry:

Senate Resolution 209

*Resolved*, That the Secretary of Agriculture is requested to transmit to the Senate all correspondence, files, minutes of conferences, instructions, directions, orders, statements, press releases, propaganda, if any, documents, letters, copies of letters and records in any way relating to the convention for the protection of migratory birds proclaimed December 8, 1916, the migratory bird treaty act approved July 3, 1918, the game refuge public shooting ground bills (S. 2913 and H. R. 745) in the Sixty-eighth Congress, and the game refuge public shooting ground bills (S. 2607 and H. R. 7479) pending in the present Congress, or relating to any legislation promoted, suggested, or approved by the biological survey or in which the biological survey has been interested at any time since it was established, and also the report and findings made by J. R. Williams of the investigation of conditions in the biological survey, including all correspondence and files relating to such investigation, both before and since said report and findings were made, together with all letters, correspondence, orders, directions, and memoranda relating to or in any manner connected with said report and findings since the same was made.

RIO GRANDE BRIDGE, EAGLE PASS, TEX.

Mr. BINGHAM. From the Committee on Commerce I report back favorably, with an amendment in the nature of a substitute, the bill (S. 3135) granting the consent of Congress to the Eagle Pass & Piedras Negras Bridge Co., to construct, maintain, and operate a bridge across the Rio Grande at Eagle Pass, Tex., and an amendment striking out the preamble; and I submit a report (No. 657) thereon.

Mr. SHEPPARD. Mr. President, the bill just reported from the Committee on Commerce by the Senator from Connecticut relates to the construction of a bridge in Texas. I ask unanimous consent that it may be considered at this time.

There being no objection, the Senate as in Committee of the Whole proceeded to consider the bill.

The amendment of the Committee on Commerce was to strike out all after the enacting clause and insert:

That the Eagle Pass & Piedras Negras Bridge Co., its successors and assigns, alone or in connection with a company operating under sanction of the Mexican authorities on the Mexican side of the Rio Grande, are hereby authorized to erect, maintain, and, if necessary, rebuild a permanent bridge across the Rio Grande at Eagle Pass, Tex., and in the meantime to operate and, if necessary, to rebuild the existing temporary bridge, all to be done in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and with the approval of the proper Mexican authorities.

SEC. 2. That the said Eagle Pass & Piedras Negras Bridge Co., its successors and assigns, shall within 90 days after the completion of the bridge constructed under the authority of this act file with the Secretary of War an itemized statement under oath showing the actual original cost of such bridge and its approaches and appurtenances, which statement shall include any expenditures actually made for engineering and legal services; and any fees, discounts, and other expenditures actually incurred in connection with the financing thereof. Such itemized statements of cost shall be investigated by the Secretary of War at any time within three years after the completion of such bridge, and for that purpose the said Eagle Pass & Piedras Negras Bridge Co., its successors and assigns, in such manner as may be deemed proper, shall make available and accessible all records connected with the construction and financing of such bridge, and the findings of the Secretary of War as to the actual cost of such bridge shall be made a part of the records of the War Department.

SEC. 3. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by the act is hereby granted to the said Eagle Pass & Piedras Negras River Bridge Co., its successors and assigns, and any corporation to which such rights, powers, and privileges may be sold, assigned, or transferred, or which shall acquire the same by mortgage, foreclosure, or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation.

SEC. 4. The right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was stricken out.

CLAIMS ARISING FROM SINKING OF STEAMER "NORMAN"

Mr. McKELLAR. Mr. President, I ask unanimous consent for the immediate consideration of Senate bill 2273, Order of Business 600, conferring jurisdiction upon the Federal District Court of the Western Division of the Western District of Tennessee to hear and determine claims arising from the sinking of the vessel known as the *Norman*. I desire to make a statement with reference to the matter.

Last summer there was an engineers' convention in the city of Memphis. While it was there the head of the Government fleet located at Memphis invited these engineers to go on a boat ride on the steam *Norman*. The steamer sank within a short time after they started on the river. An inquiry was had, and it was determined by the board of Army officers who made the investigation that the boat was wholly defective, and that it was gross negligence on the part of the engineering officers to have taken out this party.

All that this bill does is to confer jurisdiction upon the district court at Memphis to try these cases and to ascertain them. I hope there will be no objection to the consideration of the bill. It does not settle anything in the world, except that it gives these people a right to go into court; and I ask unanimous consent for the immediate consideration of the bill.

Mr. SMOOT. Mr. President, these are cases against the Government, are they?

Mr. McKELLAR. They are cases against the Government.

Mr. SMOOT. Why does not the Senator allow them to go to the Court of Claims, the same as all other cases of that nature?

Mr. McKELLAR. For the reason that it would put the litigants to an immense amount of cost to come all the way to Washington to try the cases when all the proof should be taken in that locality. For that reason the committee have thought it would be better for the cases to be tried in the district court, and they have so reported.

I hope the Senator will permit the bill to be considered, and permit the matter to take that course.

Mr. SMOOT. Mr. President, it seems to me that if we undertake that, all claims against the Government will be presented to the local courts.

Mr. McKELLAR. Oh, no; this is an unusual case. It is a case where the Government has admitted that it has been negligent in the matter; and it is just a question of trying the case before a local court, and saving both the Government and the litigants an immense amount of needless expense.

Mr. KING. Mr. President——

Mr. McKELLAR. I yield to the Senator from Utah.

Mr. KING. I do not ask the Senator to yield. I am going to object. I simply want to make a statement.

Mr. McKELLAR. I hope the Senator will not object. I shall be glad to hear his statement. Perhaps I can clear up something that is in the Senator's mind.

Mr. KING. Mr. President, I regret exceedingly to do so, but I shall feel constrained to object to the consideration of this bill. I want to say to the Senator that it establishes what I regard as a very dangerous precedent. The Attorney General recently has written a letter to the chairman of the Committee on Claims in which he expresses the view that legislation analogous to this would constitute a dangerous precedent. So important, however, do I consider cases of this kind that I brought the principle to the attention of the Committee on the Judiciary. The Committee on the Judiciary appointed a subcommittee to confer with a like committee from the Committee on Claims, in order to formulate, if they deemed proper, legislation that would deal with the question of torts against the Government. I am unwilling now to permit an action for tort to be brought against the Government until we determine the policy which we shall pursue; and I can assure the Senator that the matter is receiving attention.

Mr. McKELLAR. If the Senator will permit me, I will say to him that, as I understand, the committee of which the Senator has spoken has examined into this matter, and it was after such examination that this bill was reported out. I was so informed. I do not see the chairman of the committee here this morning.

Mr. KING. No; I will say to the Senator that the committee has not functioned yet. We have not met. The Senator from Colorado [Mr. MEANS] has been ill, and the Judiciary Committee has been so occupied with prohibition and other things that it has been impossible to get the committee together to consider the bill.

Mr. McKELLAR. The Senator realizes that this is a case where——

Mr. BRUCE. Mr. President, I rise to a point of order.

The VICE PRESIDENT. The Senator will state it.

Mr. BRUCE. The Senator from Tennessee asked for unanimous consent to consider the bill referred to by him. The Senator from Utah [Mr. KING] has repeatedly objected, and he evidently has no intention of changing his mind.

Mr. KING. No; I have not.

Mr. BRUCE. We have very important matters to consider and they should receive our attention.

The VICE PRESIDENT. The bill will go over under objection.

### LILLY O. DYER

Mr. BORAH. From the Committee on Foreign Relations I report back favorably, without amendment, the bill (S. 2444) for the relief of Lilly O. Dyer. I call the attention of the junior Senator from California to the bill.

Mr. COPELAND. Mr. President, does the Senator desire to have the measure acted upon?

Mr. BORAH. I merely called the attention of the junior Senator from California to the bill which I reported.

Mr. SHORTRIDGE. Mr. President, I ask unanimous consent for the immediate consideration of the bill. It is to appropriate $4,000 to the widow of the late American consul at Coblenz, Germany. It follows the usual precedents in such cases. There is no objection to the bill and it is favorably reported by the Foreign Relations Committee; so I ask unanimous consent that it be taken up for immediate consideration.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Lilly O. Dyer, widow of the late Francis John Dyer, late American consul at Coblenz, Germany, the sum of $4,000, being one year's salary of her deceased husband, who died of illness incurred while in the Consular Service; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purpose of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

### SETTLEMENT OF BELGIAN INDEBTEDNESS

Mr. SMOOT. I ask that the unfinished business be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6774) to authorize the settlement of the indebtedness of the Government of the Kingdom of Belgium to the Government of the United States of America.

Mr. SMOOT. Mr. President, an agreement for the settlement of the indebtedness of Belgium to the United States was signed on August 18, 1925. I ask unanimous consent to have printed in the RECORD a copy of that agreement.

The VICE PRESIDENT. Without objection, it will be so ordered.

The matter referred to is as follows:

Agreement made the 18th day of August, 1925, at the city of Washington, D. C., between the Government of the Kingdom of Belgium, hereinafter called Belgium, party of the first part, and the Government of the United States of America, hereinafter called the United States, party of the second part

Whereas Belgium is indebted to the United States as of June 15, 1925, upon obligations in the aggregate principal amount of $377,029,570.06, together with interest accrued and unpaid thereon; and

Whereas Belgium desires to fund said indebtedness to the United States, both principal and interest, through the issue of bonds to the United States, and the United States is prepared to accept bonds from Belgium upon the terms and conditions hereinafter set forth:

Now, therefore, in consideration of the premises and of the mutual covenants herein contained, it is agreed as follows:

1. Amount of indebtedness: The indebtedness is divided into two classes—that incurred prior to November 11, 1918, hereinafter called prearmistice indebtedness, and that incurred subsequent to November 11, 1918, hereafter called postarmistice indebtedness.

(a) The amount of the prearmistice indebtedness to be funded is $171,780,000, which is the principal amount of the obligations of Belgium received by the United States for cash advances made prior to November 11, 1918.

(b) The amount of the postarmistice indebtedness to be funded after allowing for certain cash payments made or to be made by Belgium is $246,000,000, which has been computed as follows:

| | | |
|---|---|---|
| Principal of obligations for cash advanced | $175,430,808.68 | |
| Accrued and unpaid interest at 4¼ per cent per annum to Dec. 15, 1922 | 26,314,491.66 | |
| | | $201,745,300.34 |
| Principal of obligations for war material sold on credit | 29,818,933.39 | |
| Accrued and unpaid interest at 4¼ per cent per annum to Dec. 15, 1922 | 491,359.24 | |
| | | 30,310,292.63 |
| Total indebtedness as of Dec. 15, 1922 | | 232,055,592.97 |
| Accrued interest thereon at 3 per cent per annum from Dec. 15, 1922, to June 15, 1925 | | 17,404,169.47 |
| Total indebtedness as of June 15, 1925 | | 249,459,762.44 |
| Deduct: | | |
| Payments on account of interest received between Dec. 15, 1922, and June 15, 1925, on obligations for war material | $3,442,346.20 | |
| Principal payment of $172.01 made Aug. 7, 1923, together with interest thereon at 3 per cent per annum to June 15, 1925 | 181.58 | |
| | | 3,442,527.78 |
| Net indebtedness as of June 15, 1925 | | 246,017,234.66 |
| To be paid in cash upon execution of agreement | | 17,234.66 |
| Total indebtedness to be funded into bonds | | 246,000,000.00 |

2. Repayment of principal: (a) In order to provide for the repayment of the prearmistice indebtedness thus to be funded, Belgium will issue to the United States at par bonds of Belgium bearing no interest in the aggregate principal amount of $171,780,000, dated June 15, 1925, and maturing serially on each June 15 in the succeeding years for 62 years, on the several dates and in the amounts fixed in the following schedule:

| June 15— | | June 15— | |
|---|---|---|---|
| 1926 | $1,000,000 | 1933 | $2,900,000 |
| 1927 | 1,000,000 | 1934 | 2,900,000 |
| 1928 | 1,250,000 | 1935 | 2,900,000 |
| 1929 | 1,750,000 | 1936 | 2,900,000 |
| 1930 | 2,250,000 | 1937 | 2,900,000 |
| 1931 | 2,750,000 | 1938 | 2,900,000 |
| 1932 | 2,900,000 | 1939 | 2,900,000 |

| June 15— | | June 15— | |
|---|---|---|---|
| 1940 | $2,900,000 | 1963 | $2,900,000 |
| 1941 | 2,900,000 | 1966 | 2,900,000 |
| 1942 | 2,900,000 | 1967 | 2,900,000 |
| 1943 | 2,900,000 | 1968 | 2,900,000 |
| 1944 | 2,900,000 | 1969 | 2,900,000 |
| 1945 | 2,900,000 | 1970 | 2,900,000 |
| 1946 | 2,900,000 | 1971 | 2,900,000 |
| 1947 | 2,900,000 | 1972 | 2,900,000 |
| 1948 | 2,900,000 | 1973 | 2,900,000 |
| 1949 | 2,900,000 | 1974 | 2,900,000 |
| 1950 | 2,900,000 | 1975 | 2,900,000 |
| 1951 | 2,900,000 | 1976 | 2,900,000 |
| 1952 | 2,900,000 | 1977 | 2,900,000 |
| 1953 | 2,900,000 | 1978 | 2,900,000 |
| 1954 | 2,900,000 | 1979 | 2,900,000 |
| 1955 | 2,900,000 | 1980 | 2,900,000 |
| 1956 | 2,900,000 | 1981 | 2,900,000 |
| 1957 | 2,900,000 | 1982 | 2,900,000 |
| 1958 | 2,900,000 | 1983 | 2,900,000 |
| 1959 | 2,900,000 | 1984 | 2,900,000 |
| 1960 | 2,900,000 | 1985 | 2,900,000 |
| 1961 | 2,900,000 | 1986 | 2,900,000 |
| 1962 | 2,900,000 | 1987 | 2,280,000 |
| 1963 | 2,900,000 | | |
| 1964 | 2,900,000 | Total | 171,780,000 |

(b) In order to provide for the repayment of the postarmistice indebtedness thus to be funded, Belgium will issue to the United States at par bonds of Belgium in the aggregate principal amount of $246,000,000, dated June 15, 1925, and maturing serially on each June 15, in the succeeding years for 62 years, on the several dates and in the amounts fixed in the following schedule:

| June 15— | | June 15— | |
|---|---|---|---|
| 1926 | $1,100,000 | 1958 | $3,500,000 |
| 1927 | 1,100,000 | 1959 | 3,600,000 |
| 1928 | 1,200,000 | 1960 | 3,700,000 |
| 1929 | 1,200,000 | 1961 | 3,800,000 |
| 1930 | 1,200,000 | 1962 | 4,000,000 |
| 1931 | 1,300,000 | 1963 | 4,100,000 |
| 1932 | 1,300,000 | 1964 | 4,300,000 |
| 1933 | 1,300,000 | 1965 | 4,400,000 |
| 1934 | 1,400,000 | 1966 | 4,600,000 |
| 1935 | 1,400,000 | 1967 | 4,700,000 |
| 1936 | 1,600,000 | 1968 | 4,900,000 |
| 1937 | 1,700,000 | 1969 | 5,100,000 |
| 1938 | 1,800,000 | 1970 | 5,300,000 |
| 1939 | 1,800,000 | 1971 | 5,400,000 |
| 1940 | 1,900,000 | 1972 | 5,600,000 |
| 1941 | 1,900,000 | 1973 | 5,800,000 |
| 1942 | 2,000,000 | 1974 | 6,000,000 |
| 1943 | 2,100,000 | 1975 | 6,300,000 |
| 1944 | 2,100,000 | 1976 | 6,600,000 |
| 1945 | 2,200,000 | 1977 | 6,800,000 |
| 1946 | 2,300,000 | 1978 | 7,000,000 |
| 1947 | 2,400,000 | 1979 | 7,200,000 |
| 1948 | 2,500,000 | 1980 | 7,500,000 |
| 1949 | 2,500,000 | 1981 | 7,800,000 |
| 1950 | 2,600,000 | 1982 | 8,100,000 |
| 1951 | 2,700,000 | 1983 | 8,400,000 |
| 1952 | 2,800,000 | 1984 | 8,600,000 |
| 1953 | 2,900,000 | 1985 | 8,900,000 |
| 1954 | 3,000,000 | 1986 | 9,300,000 |
| 1955 | 3,100,000 | 1987 | 9,600,000 |
| 1956 | 3,300,000 | | |
| 1957 | 3,400,000 | Total | 246,000,000 |

*Provided, however*, That Belgium, at its option, upon not less than 90 days' advance notice to the United States, may postpone any payment on account of principal falling due as hereinabove provided after June 15, 1935, to any subsequent June 15 or December 15 not more than two years distant from its due date, but only on condition that in case Belgium shall at any time exercise this option as to any payment of principal, the payment falling due in the next succeeding year can not be postponed to any date more than one year distant from the date when it becomes due unless and until the payment previously postponed shall actually have been made, and the payment falling due in the second succeeding year can not be postponed at all unless and until the payment of principal due two years previous thereto shall actually have been made.

3. Form of bonds: All bonds issued or to be issued hereunder to the United States shall be payable to the Government of the United States of America, or order, and shall be signed for Belgium by its ambassador extraordinary and plenipotentiary at Washington, or by its other duly authorized representative. The bonds issued for the prearmistice indebtedness shall be substantially in the form set forth in the exhibit hereto annexed and marked "Exhibit A" and shall be issued in 62 pieces, with maturities and in denominations corresponding to the annual payments hereinabove set forth. The bonds issued for the postarmistice indebtedness shall be substantially in the form set forth in the exhibit hereto annexed and marked "Exhibit B" and shall be issued in 62 pieces, with maturities and in denominations corresponding to the annual payments of principal hereinabove set forth.

4. Payments of interest: All bonds issued for the postarmistice indebtedness shall bear interest from June 15, 1925, payable in the amounts and on the dates set forth in the following schedule:

| | |
|---|---|
| Dec. 15, 1925 | $870,000 |
| June 15, 1926 | 870,000 |
| Dec. 15, 1926 | 1,000,000 |
| June 15, 1927 | 1,000,000 |
| Dec. 15, 1927 | 1,125,000 |
| June 15, 1928 | 1,125,000 |
| Dec. 15, 1928 | 1,250,000 |
| June 15, 1929 | $1,250,000 |
| Dec. 15, 1929 | 1,375,000 |
| June 15, 1930 | 1,375,000 |
| Dec. 15, 1930 | 1,625,000 |
| June 15, 1931 | 1,625,000 |
| Dec. 15, 1931 | 1,875,000 |
| June 15, 1932 | 1,875,000 |
| Dec. 15, 1932 | 2,125,000 |
| June 15, 1933 | 2,125,000 |
| Dec. 15, 1933 | 2,375,000 |
| June 15, 1934 | 2,375,000 |
| Dec. 15, 1934 | 2,625,000 |
| June 15, 1935 | 2,625,000 |

until and including June 15, 1935, and thereafter at the rate of 3½ per cent per annum payable semiannualy on June 15 and December 15 of each year until the principal of said bonds shall have been paid.

5. Method of payment: All bonds issued or to be issued hereunder shall be payable, as to both principal and interest, in United States gold coin of the present standard of value, or, at the option of Belgium, upon not less than 30 days' advance notice to the United States, in any obligations of the United States issued after April 6, 1917, to be taken at par and accrued interest to the date of payment hereunder.

All payments, whether in cash or in obligations of the United States, to be made by Belgium on account of the principal of or interest on any bonds issued or to be issued hereunder and held by the United States shall be made at the Treasury of the United States in Washington, or, at the option of the Secretary of the Treasury of the United States, at the Federal Reserve Bank of New York; and, if in cash, shall be made in funds immediately available on the date of payment, or, if in obligations of the United States, shall be in form acceptable to the Secretary of the Treasury of the United States under the general regulations of the Treasury Department governing transactions in United States obligations.

6. Exemption from taxation: The principal and interest of all bonds issued or to be issued hereunder shall be paid without deduction for, and shall be exempt from, any and all taxes or other public dues, present or future, imposed by or under authority of Belgium or any political or local taxing authority within the Kingdom of Belgium whenever so long as and to the extent that beneficial ownership is in (a) the Government of the United States, (b) a person, firm, or association neither domiciled nor ordinarily resident in Belgium, or (c) a corporation not organized under the laws of Belgium.

7. Payments before maturity: Belgium at its option, on June 15 or December 15 of any year, upon not less than 90 days' advance notice to the United States, may make advance payments in amounts of $1,000 or multiples thereof on account of the principal of any bonds issued or to be issued hereunder and held by the United States. Any such advance payments shall be applied to the principal of such bonds as may be indicated by Belgium at the time of the payment.

8. Exchange for marketable obligations: Belgium will issue to the United States at any time, or from time to time, at the request of the Secretary of the Treasury of the United States, in exchange for any or all of the bonds issued hereunder and held by the United States, definitive engraved bonds in form suitable for sale to the public, in such amounts and denominations as the Secretary of the Treasury of the United States may request, in bearer form, with provision for registration as to principal, and/or in fully registered form, and otherwise on the same terms and conditions as to dates of issue and maturity, rate or rates of interest, if any, exemption from taxation, payment in obligations of the United States issued after April 6, 1917, and the like, as the bonds surrendered on such exchange. Belgium will deliver definitive engraved bonds to the United States in accordance herewith within six months of receiving notice of any such request from the Secretary of the Treasury of the United States, and pending the delivery of the definitive engraved bonds will deliver, at the request of the Secretary of the Treasury of the United States, temporary bonds or interim receipts in form satisfactory to the Secretary of the Treasury of the United States within 30 days of the receipt of such request, all without expense to the United States. The United States, before offering any such bonds or interim receipts for sale in Belgium, will first offer them to Belgium for purchase at par and accrued interest, if any, and Belgium shall likewise have the option, in lieu of issuing any such bonds or interim receipts, to make advance redemption, at par and accrued interest, if any, of a corresponding principal amount of bonds issued hereunder and held by the United States. Belgium agrees that the definitive engraved bonds called for by this paragraph shall contain all such provisions and that it will cause to be promulgated all such rules, regulations, and orders as shall be deemed necessary or desirable by the Secretary of the Treasury of the United States in order to facilitate the sale of the bonds in the United States, in Belgium, or elsewhere, and that if requested by the Secretary of the Treasury of the United States it will use its good offices to secure the listing of the bonds on such stock exchanges as the Secretary of the Treasury of the United States may specify.

9. Cancellation and surrender of obligations: Upon the execution of this agreement, the payment to the United States of cash in the sum of $17,234.66, as provided in subdivision (b) of paragraph 1 of this agreement and the delivery to the United States of the $417,780,000

principal amount of bonds of Belgium to be issued hereunder, together with satisfactory evidence of authority for the execution of this agreement by the representatives of Belgium and for the execution of the bonds to be issued hereunder on behalf of Belgium by its ambassador extraordinary and plenipotentiary at Washington, or by its other duly authorized representative, the United States will cancel and surrender to Belgium, at the Treasury of the United States in Washington, the obligations of Belgium in the principal amount of $377,029,570.06, described in the preamble of this agreement.

10. Notices: Any notice, request, or consent under the hand of the Secretary of the Treasury of the United States shall be deemed and taken as the notice, request, or consent of the United States and shall be sufficient if delivered at the embassy of Belgium at Washington or at the office of the Ministry of Finance in Brussels; and any notice, request, or election from or by Belgium shall be sufficient if delivered to the American Embassy at Brussels or to the Secretary of the Treasury at the Treasury of the United States in Washington. The United States in its discretion may waive any notice required hereunder, but any such waiver shall be in writing and shall not extend to or affect any subsequent notice or impair any right of the United States to require notice hereunder.

11. Compliance with legal requirements: Belgium represents and agrees that the execution and delivery of this agreement have in all respects been duly authorized and that all acts, conditions, and legal formalities which should have been completed prior to the making of this agreement have been completed as required by the laws of Belgium and in conformity therewith.

12. Counterparts: This agreement shall be executed in two counterparts, each of which shall have the force and effect of an original.

In witness whereof Belgium has caused this agreement to be executed on its behalf by Baron de Cartier de Marchienne, F. Cattier, E. Francqui, G. Theunis, its special commissioners at Washington, thereunto duly authorized, subject, however, to the approval of the competent authorities of the Kingdom of Belgium, and the United States has likewise caused this agreement to be executed on its behalf by the Secretary of the Treasury, as chairman of the World War Foreign Debt Commission, with the approval of the President, subject, however, to the approval of Congress, pursuant to the act of Congress approved February 9, 1922, as amended by the act of Congress approved February 28, 1923, and as further amended by the act of Congress approved January 21, 1925, all on the day and year first above written.

THE GOVERNMENT OF THE KINGDOM OF BELGIUM,
By BARON DE CARTIER DE MARCHIENNE.
F. CATTIER.
E. FRANCQUI.
G. THEUNIS.

THE GOVERNMENT OF THE UNITED STATES OF AMERICA
(For the World War Foreign Debt Commission),
By A. W. MELLON,
*Secretary of the Treasury and Chairman of the Commission.*

Approved:

CALVIN COOLIDGE,
*President.*

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EXHIBIT A

(Form of bond)

THE GOVERNMENT OF THE KINGDOM OF BELGIUM

$———. No. ———.

The Government of the Kingdom of Belgium, hereinafter called Belgium, for value received, promises to pay to the Government of the United States of America, hereinafter called the United States, or order, on June 15, 19—, the sum of ——— dollars ($———). This bond is payable in gold coin of the United States of America of the present standard of value, or, at the option of Belgium, upon not less than 30 days' advance notice to the United States, in any obligations of the United States issued after April 6, 1917, to be taken at par and accrued interest to the date of payment hereunder.

This bond is payable without deduction for, and is exempt from, any and all taxes and other public dues, present or future, imposed by or under authority of Belgium or any political or local taxing authority within the Kingdom of Belgium, whenever, so long as, and to the extent, beneficial ownership is in (a) the Government of the United States, (b) a person, firm, or association neither domiciled nor ordinarily resident in Belgium, or (c) a corporation not organized under the laws of Belgium. This bond is payable at the Treasury of the United States in Washington, D. C., or at the option of the Secretary of the Treasury of the United States at the Federal Reserve Bank of New York.

This bond is issued pursuant to the provisions of subdivision (a) of paragraph 2 of an agreement, dated August 18, 1925, between Belgium and the United States, to which agreement this bond is subject and to which reference is hereby made.

In witness whereof Belgium has caused this bond to be executed in its behalf at the city of Washington, District of Columbia, by its ——— at Washington, thereunto duly authorized, as of June 15, 1925.

THE GOVERNMENT OF THE KINGDOM OF BELGIUM,
By ——— ———.

(Back)

The following amounts have been paid upon the principal amount of this bond.

Date, ———. Amount paid, ———.

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EXHIBIT B

(Form of bond)

THE GOVERNMENT OF THE KINGDOM OF BELGIUM

$——— No. ———

The Government of the Kingdom of Belgium, hereinafter called Belgium, for value received, promises to pay to the Government of the United States of America, hereinafter called the United States, or order, on June 15, ——, the sum of ——— dollars ($———), and to pay as interest upon said principal sum from June 15, 1925, to and including June 15, 1935, so long as the principal of this bond shall be unpaid, on the dates specified in paragraph 4 of the agreement hereinafter referred to, such proportion of the amount of interest specified in said paragraph 4 for the dates therein stated as the principal amount of this bond bears to all bonds on such dates outstanding issued for postarmistice indebtedness under said agreement, and after June 15, 1935, Belgium promises to pay interest hereon at the rate of 3½ per cent per annum, payable semiannually on June 15 and December 15 each year until the principal hereof has been paid. This bond is payable as to both principal and interest in gold coin of the United States of America of the present standard of value, or, at the option of Belgium, upon not less than 30 days' advance notice to the United States, in any obligations of the United States issued after April 6, 1917, to be taken at par and accrued interest to the date of payment hereunder.

This bond is payable as to both principal and interest without deduction for, and is exempt from, any and all taxes and other public dues, present or future, imposed by or under authority of Belgium or any political or local taxing authority within the Kingdom of Belgium, whenever, so long as, and to the extent that beneficial ownership is in (a) the Government of the United States; (b) a person, firm, or association neither domiciled nor ordinarily resident in Belgium; or (c) a corporation not organized under the laws of Belgium. This bond is payable as to both principal and interest at the Treasury of the United States in Washington, D. C., or, at the option of the Secretary of the Treasury of the United States, at the Federal Reserve Bank of New York.

This bond is issued pursuant to the provisions of subdivision (b) of paragraph 2 of an agreement, dated August 18, 1925, between Belgium and the United States, to which agreement this bond is subject and to which reference is hereby made.

In witness whereof Belgium has caused this bond to be executed in its behalf at the city of Washington, D. C., by ———, at Washington, thereunto duly authorized, as of June 15, 1925.

THE GOVERNMENT OF THE KINGDOM OF BELGIUM,
By ———.

(Back)

The following amounts have been paid upon the principal amount of this bond:

Date, ———. Amount paid, ———.

Mr. SMOOT. In arriving at the settlement the Belgian indebtedness was divided into two parts—the prearmistice indebtedness, consisting of $171,780,000, and the postarmistice indebtedness, consisting of $175,430,808.68, principal amount of obligations held for cash advanced, and $29,818,933.39, principal amount of obligations received for war materials sold on credit. No interest is to be paid on the prearmistice debt. Interest on the postarmistice debt was calculated at 4¼ per cent to December 15, 1922, the effective date of the British settlement, and at 3 per cent from then until June 15, 1925.

Mr. BORAH. Mr. President, is the Senator going to explain why no interest was charged on the prearmistice debt?

Mr. SMOOT. Yes. The principal of the postarmistice debt, funded as of that date, less $17,234.66 paid in cash by Belgium on execution of the agreement, amounted to $246,000,000.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. SMOOT. Yes.

Mr. HARRISON. Does not the Senator think we ought to have a quorum here, as he is just beginning his argument on the Belgian debt settlement?

Mr. SMOOT. Just as the Senator pleases.

Mr. HARRISON. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Fernald | King | Reed, Pa. |
| Bayard | Ferris | La Follette | Sackett |
| Bingham | Fess | Lenroot | Sheppard |
| Blease | Frazier | McKellar | Shipstead |
| Borah | George | McKinley | Shortridge |
| Bratton | Gillett | McLean | Smoot |
| Broussard | Goff | McMaster | Stanfield |
| Bruce | Greene | McNary | Steck |
| Butler | Hale | Mayfield | Stephens |
| Caraway | Harreld | Neely | Swanson |
| Copeland | Harris | Norbeck | Trammell |
| Couzens | Harrison | Norris | Tyson |
| Cummins | Heflin | Nye | Underwood |
| Curtis | Howell | Oddie | Wadsworth |
| Dale | Johnson | Overman | Warren |
| Deneen | Jones, N. Mex. | Phipps | Watson |
| Dill | Jones, Wash. | Pine | Wheeler |
| Edge | Kendrick | Ransdell | |
| Edwards | Keyes | Reed, Mo. | |

Mr. CURTIS. I desire to announce the absence of my colleague [Mr. CAPPER], on account of illness in his family. I will let this announcement stand for the day.

Mr. PHIPPS. My colleague [Mr. MEANS] is absent, on account of illness. I ask that this announcement stand for the day.

The VICE PRESIDENT. Seventy-four Senators having answered to their names, a quorum is present.

Mr. SMOOT. Mr. President, under the terms of the settlement Belgium is to repay the prearmistice debt, without interest, over a period of 62 years, annual payments commencing June 15, 1926; payments for the first two years to be $1,000,000; the third year, $1,250,000; the fourth year, $1,750,000; the fifth year, $2,250,000; the sixth year, $2,750,000; the seventh through the sixty-first, $2,900,000; the sixty-second, $2,280,000

The postarmistice indebtedness is to be repaid over a period of 62 years on substantially the same terms as the British settlement, except that during the first 10 years there are fixed certain amounts of interest, payable semiannually, which are less than the interest at the rate of 3 per cent called for under the British settlement.

I ask unanimous consent to insert in the RECORD a statement showing the full schedule of payments on both the prearmistice and postarmistice indebtedness.

The VICE PRESIDENT. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

*Statement of amounts payable to the United States on account of the proposed refunding bonds to be issued by Belgium on account of its postarmistice debt*

| Year | Principal | Schedule of annual interest installments to be paid by Belgian Government on refunding bonds in arbitrary amounts for first 10 years, 3½ per cent thereafter | Schedule of annual principal installments to be paid on account of principal | Total annual payments |
|---|---|---|---|---|
| 1 | $246,000,000 | $1,740,000 | $1,100,000 | $2,840,000 |
| 2 | 244,900,000 | 2,000,000 | 1,100,000 | 3,100,000 |
| 3 | 243,800,000 | 2,250,000 | 1,200,000 | 3,450,000 |
| 4 | 242,600,000 | 2,500,000 | 1,200,000 | 3,700,000 |
| 5 | 241,400,000 | 2,750,000 | 1,200,000 | 3,950,000 |
| 6 | 240,200,000 | 3,250,000 | 1,300,000 | 4,550,000 |
| 7 | 238,900,000 | 3,750,000 | 1,300,000 | 5,050,000 |
| 8 | 237,600,000 | 4,250,000 | 1,300,000 | 5,550,000 |
| 9 | 236,300,000 | 4,750,000 | 1,400,000 | 6,150,000 |
| 10 | 234,900,000 | 5,250,000 | 1,400,000 | 6,650,000 |
| 11 | 233,500,000 | 8,172,500 | 1,600,000 | 9,772,500 |
| 12 | 231,900,000 | 8,116,500 | 1,700,000 | 9,816,500 |
| 13 | 230,200,000 | 8,057,000 | 1,800,000 | 9,857,000 |
| 14 | 228,400,000 | 7,994,000 | 1,800,000 | 9,794,000 |
| 15 | 226,600,000 | 7,931,000 | 1,900,000 | 9,831,000 |
| 16 | 224,700,000 | 7,864,500 | 1,900,000 | 9,764,500 |
| 17 | 222,800,000 | 7,798,000 | 2,000,000 | 9,798,000 |
| 18 | 220,800,000 | 7,728,000 | 2,100,000 | 9,828,000 |
| 19 | 218,700,000 | 7,654,500 | 2,100,000 | 9,754,500 |
| 20 | 216,600,000 | 7,581,000 | 2,200,000 | 9,781,000 |
| 21 | 214,400,000 | 7,504,000 | 2,300,000 | 9,804,000 |
| 22 | 212,100,000 | 7,423,500 | 2,400,000 | 9,823,500 |
| 23 | 209,700,000 | 7,339,500 | 2,500,000 | 9,839,500 |
| 24 | 207,200,000 | 7,252,000 | 2,500,000 | 9,752,000 |
| 25 | 204,700,000 | 7,164,500 | 2,600,000 | 9,764,500 |
| 26 | 202,100,000 | 7,073,500 | 2,700,000 | 9,773,500 |
| 27 | 199,400,000 | 6,979,000 | 2,800,000 | 9,779,000 |
| 28 | 196,600,000 | 6,881,000 | 2,900,000 | 9,781,000 |
| 29 | 193,700,000 | 6,779,500 | 3,000,000 | 9,779,500 |
| 30 | $190,700,000 | $6,674,500 | $3,100,000 | $9,774,500 |
| 31 | 187,600,000 | 6,566,000 | 3,300,000 | 9,866,000 |
| 32 | 184,300,000 | 6,450,500 | 3,400,000 | 9,850,500 |
| 33 | 180,900,000 | 6,331,500 | 3,500,000 | 9,831,500 |
| 34 | 177,400,000 | 6,209,000 | 3,600,000 | 9,809,000 |
| 35 | 173,800,000 | 6,083,000 | 3,700,000 | 9,783,000 |
| 36 | 170,100,000 | 5,953,500 | 3,800,000 | 9,753,500 |
| 37 | 166,300,000 | 5,820,500 | 4,000,000 | 9,820,500 |
| 38 | 162,360,000 | 5,680,500 | 4,100,000 | 9,780,500 |
| 39 | 158,200,000 | 5,537,000 | 4,300,000 | 9,837,000 |
| 40 | 153,900,000 | 5,386,500 | 4,400,000 | 9,786,500 |
| 41 | 149,500,000 | 5,232,500 | 4,600,000 | 9,832,500 |
| 42 | 144,900,000 | 5,071,500 | 4,700,000 | 9,771,500 |
| 43 | 140,200,000 | 4,907,000 | 4,900,000 | 9,807,000 |
| 44 | 135,300,000 | 4,735,500 | 5,100,000 | 9,835,500 |
| 45 | 130,200,000 | 4,557,000 | 5,300,000 | 9,857,000 |
| 46 | 124,900,000 | 4,371,500 | 5,400,000 | 9,771,500 |
| 47 | 119,500,000 | 4,182,500 | 5,600,000 | 9,872,500 |
| 48 | 113,900,000 | 3,986,500 | 5,800,000 | 9,786,500 |
| 49 | 108,100,000 | 3,783,500 | 6,000,000 | 9,783,500 |
| 50 | 102,100,000 | 3,573,500 | 6,300,000 | 9,873,500 |
| 51 | 95,800,000 | 3,353,000 | 6,600,000 | 9,953,000 |
| 52 | 89,200,000 | 3,122,000 | 6,800,000 | 9,922,000 |
| 53 | 82,400,000 | 2,884,000 | 7,000,000 | 9,884,000 |
| 54 | 75,400,000 | 2,639,000 | 7,200,000 | 9,839,000 |
| 55 | 68,200,000 | 2,387,000 | 7,500,000 | 9,887,000 |
| 56 | 60,700,000 | 2,124,500 | 7,800,000 | 9,924,500 |
| 57 | 52,900,000 | 1,851,500 | 8,100,000 | 9,951,500 |
| 58 | 44,800,000 | 1,568,000 | 8,400,000 | 9,968,000 |
| 59 | 36,400,000 | 1,274,000 | 8,600,000 | 9,874,000 |
| 60 | 27,800,000 | 1,973,000 | 8,900,000 | 9,873,000 |
| 61 | 18,900,000 | 661,500 | 9,300,000 | 9,961,500 |
| 62 | 9,600,000 | 336,000 | 9,600,000 | 9,936,000 |
| Total | | 310,050,500 | 246,000,000 | 556,050,500 |

*Schedule of annual payments to be made by the Belgian Government on the principal amounts of its prearmistice debt*

| June 15— | | June 15— | |
|---|---|---|---|
| 1926 | $1,000,000 | 1958 | $2,900,000 |
| 1927 | 1,000,000 | 1959 | 2,900,000 |
| 1928 | 1,250,000 | 1960 | 2,900,000 |
| 1929 | 1,750,000 | 1961 | 2,900,000 |
| 1930 | 2,250,000 | 1962 | 2,900,000 |
| 1931 | 2,750,000 | 1963 | 2,900,000 |
| 1932 | 2,900,000 | 1964 | 2,900,000 |
| 1933 | 2,900,000 | 1965 | 2,900,000 |
| 1934 | 2,900,000 | 1966 | 2,900,000 |
| 1935 | 2,900,000 | 1967 | 2,900,000 |
| 1936 | 2,900,000 | 1968 | 2,900,000 |
| 1937 | 2,900,000 | 1969 | 2,900,000 |
| 1938 | 2,900,000 | 1970 | 2,900,000 |
| 1939 | 2,900,000 | 1971 | 2,900,000 |
| 1940 | 2,900,000 | 1972 | 2,900,000 |
| 1941 | 2,900,000 | 1973 | 2,900,000 |
| 1942 | 2,900,000 | 1974 | 2,900,000 |
| 1943 | 2,900,000 | 1975 | 2,900,000 |
| 1944 | 2,900,000 | 1976 | 2,900,000 |
| 1945 | 2,900,000 | 1977 | 2,900,000 |
| 1946 | 2,900,000 | 1978 | 2,900,000 |
| 1947 | 2,900,000 | 1979 | 2,900,000 |
| 1948 | 2,900,000 | 1980 | 2,900,000 |
| 1949 | 2,900,000 | 1981 | 2,900,000 |
| 1950 | 2,900,000 | 1982 | 2,900,000 |
| 1951 | 2,900,000 | 1983 | 2,900,000 |
| 1952 | 2,900,000 | 1984 | 2,900,000 |
| 1953 | 2,900,000 | 1985 | 2,900,000 |
| 1954 | 2,900,000 | 1986 | 2,900,000 |
| 1955 | 2,900,000 | 1987 | 2,280,000 |
| 1956 | 2,900,000 | | |
| 1957 | 2,900,000 | Total | 171,780,000 |

Mr. NORRIS. Mr. President, may I interrupt the Senator there?

Mr. SMOOT. Yes.

Mr. NORRIS. The Senator may cover the question later, but the explanation he has just made with regard to the postarmistice debt is not so concise or plain as that with regard to the other. Does that draw interest under the settlement?

Mr. SMOOT. The postarmistice debt is to draw interest; it is made on approximately the same terms with respect to interest that were inserted in the British settlement.

Mr. NORRIS. The other part of the debt draws no interest?

Mr. SMOOT. It draws no interest and is divided up into 62 payments. I will call attention later to the reasons why that was allowed.

Mr. NORRIS. May I go just a little further? The Senator says the postarmistice debt draws interest at the same rate charged in the British settlement. Does it provide not only for the payment of interest but for the payment of principal also?

Mr. SMOOT. Yes.

Mr. NORRIS. The principal is to be paid in full?

Mr. SMOOT. In full.

Mr. NORRIS. Plus interest?

Mr. SMOOT. Plus the interest.

Mr. NORRIS. The only difference between the settlements, then, is that the prearmistice debt is to be paid without interest over a period of 62 years and the postarmistice debt is to be paid with interest over the period of 62 years. Does that state it correctly?

Mr. SMOOT. It does; and I will state now what the principal is. The principal of the Belgian debt is $417,780,000. Under the agreement the interest we will collect will amount to $310,050,500, making a total of $727,830,500.

Mr. NORRIS. That is the postarmistice debt?

Mr. SMOOT. That is both of them—prearmistice and postarmistice. In other words, the principal of both of the debts is $417,780,000, and all of the payments amount to $727,830,500.

Mr. NORRIS. The total amount of money, then, received from our Government by the Belgian Government was less than $500,000,000 according to that statement.

Mr. SMOOT. Four hundred and seventeen million dollars, including interest to June 15, 1925.

Mr. NORRIS. That was the total amount?

Mr. SMOOT. That was the total amount. I will say this also, that that is not the amount that was advanced by the Government. It was less than that, because $417,000,000 includes interest at the rate of 4¼ per cent to December 15, 1922, and 3 per cent from that date to the date of the settlement.

Mr. WATSON. Mr. President, does the Senator later in his statement show how much of this indebtedness was prearmistice and how much postarmistice?

Mr. SMOOT. Yes; I do.

Mr. WATSON. Let me ask this, then——

Mr. SMOOT. I have already stated the amount of the prearmistice and postarmistice indebtedness.

Mr. WATSON. Are we to get interest on the postarmistice indebtedness immediately or after a lapse of years?

Mr. SMOOT. Immediately.

Mr. WATSON. The 3 per cent immediately?

Mr. SMOOT. On the postarmistice debt the payments for the first 10 years are to be as follows: For the first two years, $1,000,000; the third year, $1,250,000; the fourth year, $1,750,000; the fifth year, $2,250,000; the sixth year, $2,750,000; the seventh, through the sixty-first year, $2,900,000; the sixty-second year, $2,280,000, which makes in all $727,830,500.

I shall turn first to the prearmistice debt. You will recall that at the time of the Peace Conference in Paris, in 1919, Belgium put forward a claim for war damages amounting to $1,000,000,000 in gold, which she insisted should be treated as a prior charge on reparations; that she also claimed that Germany should be required to redeem in gold 6,200,000,000 paper marks forced into circulation in Belgium by Germany during the period of German occupation, these marks being subsequently taken up by the Belgian Government through the issuance of Belgian francs; that she also claimed that France, Great Britain, and the United States should cancel her war debts; that is, all money advanced prior to November 11, 1918. In order to save a serious break at a critical time during the peace negotiations, chiefly at the instance of President Wilson, Belgium was persuaded to reduce her claim for war damages from $1,000,000,000 to $500,000,000 and to put aside her claim for redemption of the 6,200,000,000 marks, on the condition that France, Great Britain, and the United States would forgive her prearmistice debts and would look to Germany for repayment of the amount due. Belgium owed the United States $171,780,000 for prearmistice advances, England about $500,000,000, and France nearly $600,000,000.

On June 16, 1919, M. Clemenceau, President Wilson, and Mr. Lloyd-George signed a letter addressed to the Minister of Foreign Affairs of Belgium to the effect that each would recommend to the appropriate government agency of his Government that upon delivery to the Reparation Commission of bonds of Germany to be used to reimburse the respective Governments for the moneys borrowed by Belgium prior to the armistice, each Government would accept a proportionate share of the bonds, and would thereupon cancel Belgium's obligation to repay the amounts due. The letter signed by the representatives of the three Governments is as follows:

JUNE 16, 1919.

M. HYMANS,

*Ministre des Affaires Etrangeres, Hotel Lotti, Paris.*

SIR: The reparation clauses of the draft treaty of peace with Germany obligate Germany to make reimbursement of all sums which Belgium has borrowed from the allied and associated governments up to November 11, 1918, on account of the violation by Germany of the treaty of 1839. As evidence of such an obligation Germany is to make a special issue of bonds to be delivered to the Reparation Commission.

Each of the undersigned will recommend to the appropriate governmental agency of his Government that, upon the delivery to the Reparation Commission of such bonds, his Government accept an amount thereof corresponding to the sums which Belgium has borrowed from his Government since the war and up to November 11, 1918, together with interest at 5 per cent unless already included in such sums, in satisfaction of Belgium's obligation on account of such loans, which obligation of Belgium's shall thereupon be canceled.

We are, dear Mr. Minister,

Very truly yours,

G. CLEMENCEAU.
WOODROW WILSON.
D. LLOYD-GEORGE.

The above arrangement was incorporated into article 232 of the treaty of Versailles, which reads as follows:

ART. 232. * * * In accordance with Germany's pledges, already given, as to complete restoration for Belgium, Germany undertakes, in addition to the compensation for damage elsewhere in this part provided for, as a consequence of the violation of the treaty of 1839, to make reimbursement of all sums which Belgium has borrowed from the allied and associated governments up to November 11, 1918, together with interest at the rate of 5 per cent per annum on such sums. This amount shall be determined by the Reparation Commission, and the German Government undertakes thereupon forthwith to make a special issue of bearer bonds to an equivalent amount payable in marks gold on May 1, 1926, or, at the option of the German Government, on the 1st of May in any year up to 1926. Subject to the foregoing, the form of such bonds shall be determined by the Reparation Commission. Such bonds shall be handed over to the Reparation Commission, which has authority to take and acknowledge receipt thereof on behalf of Belgium.

Mr. HARRISON. Mr. President——

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Mississippi?

Mr. SMOOT. I yield.

Mr. HARRISON. The treaty of Versailles was not ratified by this Government, was it? The Senate of the United States did not ratify the treaty of Versailles?

Mr. SMOOT. It did not.

Mr. HARRISON. The Senator and his colleagues on the commission, according to what I understand from the press and from what the Senator is stating, felt that we were under moral obligation to Belgium and for that reason they were excused from the payment of any interest on the prearmistice debt.

Mr. SMOOT. That was my position. I thought it was a moral obligation at least on the part of the Government.

Mr. HARRISON. That was the position of the American commission, was it not?

Mr. SMOOT. It was.

Mr. HARRISON. And it was because of that moral obligation that they were released from the interest on the prearmistice debt.

Mr. SMOOT. I am going to explain that before I finish what I have to say.

Mr. HARRISON. If there had been no obligation there, would the Senator and his colleagues on the commission have stood for the same thing as they stood for in the British debt settlement?

Mr. SMOOT. We could not have stood for it because Belgium could not have paid it.

Mr. HARRISON. The Senator said that they did not have the ability to pay any more than they have agreed to pay?

Mr. SMOOT. I think it is going to burden them very greatly to pay what they are agreeing to pay.

Mr. HARRISON. What I am trying to get at is whether whatever favorite treatment is accorded to Belgium in this settlement is given because of any moral obligation or because of their ability to pay.

Mr. SMOOT. Of course, the very fact that we had to reduce the payments in the first 10 years speaks for itself, I will say to the Senator.

Mr. HARRISON. As I understand the Senator, if the commissioners had not interpreted this a moral obligation, they would have insisted upon interest upon the prearmistice debt from Belgium.

Mr. SMOOT. If the interest had been insisted upon, the total payments would have been somewhat larger, but not very much larger, I will say to the Senator, because Belgium could not pay more.

Mr. HARRISON. I am not arguing that with the Senator. I merely want to get the position of the American commissioners with reference to the Belgium debt settlement. Of course, if there had been even one-eighth of 1 per cent, it would have been more than we are going to get in the end under the Belgian debt settlement.

Mr. SMOOT. That statement, I think, is not quite correct—one-eighth of 1 per cent. The present value of the settlement is 47 per cent, and that is not on the original amount owing. That is with the interest added up to the date of settlement.

Mr. HARRISON. That is with the interest added on the postarmistice debt?

Mr. SMOOT. Certainly.

Mr. HARRISON. What I am trying to get at is this, and the Senator, I am sure, can answer me on this point, because I am not clear, whether the Senator is clear or not. If there had been nothing attaching because of this moral obligation, the American commissioners would have insisted upon interest upon the prearmistice debt from Belgium, would they not?

Mr. SMOOT. Of course we would, and in order to do that we would have had to reduce the interest upon the postarmistice debt.

Mr. HARRISON. Then we would have obtained more than we are receiving from Belgium had it not been for the interpretation of the commissioners of this moral obligation.

Mr. SMOOT. It might be a little more, I will say to the Senator.

Mr. HARRISON. Why does the Senator say that?

Mr. SMOOT. Because of the fact that the financial condition of Belgium shows that it is going to be all that she can do to make the payments provided for in this agreement, notwithstanding there is no interest imposed upon the prearmistice debt.

Mr. HARRISON. Now, we are getting back to the second proposition. The Senator means the terms of the settlement agreed upon in this matter were based upon the ability of Belgium to pay?

Mr. SMOOT. They were.

Mr. HARRISON. But they might have been able to pay a little more had it not been for this moral obligation?

Mr. SMOOT. Of course, I can only say it might have been, but——

Mr. HARRISON. Does the Senator think Belgium is economically in a worse condition than Italy?

Mr. SMOOT. No; she is not in as bad condition.

Mr. HARRISON. She is not in as bad condition as Italy? Is Belgium economically in as bad condition as Poland?

Mr. SMOOT. Poland has resources that Belgium has not. That is a hard question to answer.

Mr. HARRISON. What is the Senator's opinion with respect to it?

Mr. SMOOT. My opinion is that the amount Poland is owing the United States will be easier for Poland to pay than it will be for Belgium to pay the amount she has obligated herself in this agreement to pay.

Mr. HARRISON. Does that apply also to Czechoslovakia?

Mr. SMOOT. Czechoslovakia is a very rich country, an agricultural country, and not only that, but it has a wonderful industrial condition.

Mr. HARRISON. Then the Senator thinks that Czechoslovakia is in such a condition that she can pay 82 cents on the dollar?

Mr. SMOOT. I am quite sure of it.

Mr. HARRISON. Would the Senator say that he thinks Czechoslovakia can pay 82 cents on the dollar of her debt just as well as Belgium could pay 47 cents on the dollar on her debt?

Mr. SMOOT. My opinion is she can pay it more easily.

Mr. HARRISON. And could possibly pay 82 cents more easily than Italy could pay 27 cents?

Mr. SMOOT. Just as easily as Italy can pay her 27 cents.

Mr. HARRISON. The American commissioners have gone into that proposition with reference to the conditions of these countries and compared them on the question of ability to pay?

Mr. SMOOT. We have. The commissioners did that.

Mr. HARRISON. But going back to the other proposition, the Senator and his comrades would have insisted upon a little better settlement with Belgium had it not been for the moral obligation?

Mr. SMOOT. I say, perhaps it could possibly have been a little more, but I doubt it. I think we got nearly everything we could out of Belgium.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. SMOOT. I yield.

Mr. CARAWAY. All that was given to Belgium, then, was just sympathy?

Mr. SMOOT. I do not know that it was altogether sympathy.

Mr. CARAWAY. I thought it represented something of a moral obligation.

Mr. SMOOT. I think it was a moral obligation.

Mr. CARAWAY. May I ask the Senator another question? Did the commission take into consideration the statement that recently, for the last six or eight months, has been published, with reference to the economic development in Congo to the effect that the entire burden of paying taxes will be taken off of the Kingdom of Belgium?

Mr. SMOOT. I think that statement was given out for the purposes of advertising.

Mr. CARAWAY. Who gave it out?

Mr. SMOOT. I do not know.

Mr. CARAWAY. It came from Belgium, did it not?

Mr. SMOOT. I think it did. The only hope that they have is the development of copper in that country and——

Mr. CARAWAY. There is a very large rubber development, is there not?

Mr. SMOOT. I was just going to add that when the Senator interrupted me. I think, however, from reports we receive, that the rubber production there, if anything, will decrease rather than increase.

Mr. CARAWAY. But as a matter of fact the commission never investigated the possibility of the future developments in the Congo.

Mr. SMOOT. Certainly. In fact, that was taken into consideration when we decided upon her ability to pay.

Mr. HARRISON. Does the Senator feel that we are under any moral obligation due to these letters emanating from Lloyd-George and Clemenceau and Woodrow Wilson to the ambassador from Belgium?

Mr. SMOOT. I have already stated that.

Mr. HARRISON. I did not hear it. Would the Senator mind restating it?

Mr. SMOOT. I can restate it. I did feel that there was some moral obligation.

Mr. HARRISON. The Senator did not feel that he was under any moral obligation to vote for the treaty of Versailles?

Mr. SMOOT. Certainly I did not. I voted against it, as I said the other day.

Mr. BORAH. Mr. President——

Mr. SMOOT. I yield to the Senator from Idaho.

Mr. BORAH. I was called out of the Chamber for a moment. Did the commission allow anything to Belgium by reason of this moral obligation or this agreement, or did they finally settle on the capacity of Belgium to pay?

Mr. SMOOT. It was settled on her capacity to pay. We did, however, as to the prearmistice debt, take into consideration that there was a moral obligation and that that amount should be paid without interest and should be distributed over the 62 years. I have already said, while the Senator was out of the Chamber, that even if we had made the settlement on the two classes of indebtedness and treated them the same it would be next to impossible for Belgium to pay any more than she has paid or agreed to pay in the settlement of the prearmistice debt without any interest.

Mr. BORAH. As a practical proposition the commission would have settled on the same basis if the letters had not been written?

Mr. SMOOT. As I said before, it may be we could have gotten perhaps more, but really I doubt it.

Mr. BORAH. The letters as a practical proposition did not in all probability change the figures at all?

Mr. SMOOT. I think they helped Belgium.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. SMOOT. I yield.

Mr. EDGE. Is it not true that the interest has been waived entirely on the indebtedness owing before the armistice, and the interest on the indebtedness after the armistice is in the neighborhood of 3 per cent? Is not that a rather clear designation of the two considerations, one a moral obligation and the other the ability to pay, when we have waived practically 3

per cent? I do not see how we can subdivide the thing except to take the investigation of the commission. They have been willing to recognize the moral obligation by eliminating all interest up to that time, and after that time they have collected as much as they felt they could, understanding the capacity to pay.

Mr. BORAH. That is not the explanation which the Senator from Utah made.

Mr. SMOOT. I want to say to the Senator that I have stated it just exactly as I understand it to be. I do not think there is very much difference—that is my opinion—between the ultimate result of ability to pay and the settlement we have made, notwithstanding we settled the prearmistice debt without interest and a rate of interest on the postarmistice debt.

Mr. BORAH. The reason why I ask is that I have never understood why those letters were inserted at all, because it has been stated over and over again that the settlement with Belgium was based upon capacity to pay. It would not make any difference whether the letters existed or not, and, of course, the letters could have no effect except to create a moral atmosphere or a moral obligation, if anything.

Mr. WATSON. Mr. President, let me see if I understand the attitude of the Senator from Utah [Mr. SMOOT].

Mr. SMOOT. Just a moment.

Mr. WATSON. As I understand the Senator's attitude, it is that because of the moral obligation that it was felt existed we would relieve Belgium of the payment of any interest on the prearmistice debt; but thereby, because of that fact, taking into consideration Belgium's ability to pay, we could charge a higher rate of interest on the postwar debt; whereas, taking into consideration, again, Belgium's ability to pay, if we had not recognized the moral obligation to relieve the interest on the prearmistice debt we could have charged a rate of interest all along on all of it that would have brought about the payment of the same sum of money. Is that the attitude?

Mr. SMOOT. That is about what happened, I will say to the Senator from Indiana, and that is what I have already stated. I think Belgium wants this recognized. She brought it out; she insisted upon it; and the Debt Commission could not see but that it was proper and right. In the statement which we issued to the public at the time this settlement was made we plainly set forth the situation, and explained why that course was followed. I do not see that it is necessary that I should say anything more than I have already said.

Mr. BORAH. I can understand how Belgium might have some sentiment about the matter and how the Debt Commission might very properly, as a matter of diplomacy in dealing with the situation, recognize it. What I wanted to know, and what I think we are entitled to know, is whether any consideration of dollars and cents was allowed by reason of the fact that this moral obligation existed?

Mr. SMOOT. No. I myself think that the settlement which has been made is all that Belgium could pay. As I said to the Senator from Mississippi [Mr. HARRISON], it might have made just a little difference as to the period of 10 years if the rate was changed during that period, and as to the 20-year period, and so forth, up to 62 years. It may have made a little difference in the end if such an agreement could have been reached, but it would not have amounted to anything to speak of in a settlement between two great governments.

Mr. HARRISON. Then, if I understand the answer of the Senator from Utah to the question propounded by the Senator from Indiana [Mr. WATSON], Belgium was released from the interest on the prearmistice debt because it was felt that there was a moral obligation there; but that was recouped by charging more interest on the postarmistice debt because of having released the interest on the prearmistice debt on account of the moral obligation? Is that the position?

Mr. SMOOT. Mr. President, I do not know why the Senator asks me to repeat what I have already said. Belgium could not have made a settlement paying the rate of interest charged upon the postarmistice debt if it applied also to the prearmistice debt as well. Everybody admits that; everybody who knows the conditions will have to admit it; and I frankly admit it.

Mr. REED of Pennsylvania. Mr. President, evidently the Senator from Utah has a prepared speech on this subject, and I suggest that the Senate will profit by it if we do not interrupt him until he has concluded that which he has prepared to say.

Mr. SMOOT. I will say to the Senate that I am nearly through.

Mr. FESS. Mr. President, I should like to interrupt the Senator.

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Ohio?

Mr. SMOOT. I yield.

Mr. FESS. I understand that Belgium demanded a billion dollars in the way of reparations and also had a claim of about 6,200,000,000 marks to be made good in gold.

Mr. SMOOT. Does the Senator mean gold marks?

Mr. FESS. I mean gold marks to be issued.

Mr. SMOOT. The Senator refers to the paper marks that Germany compelled Belgium to issue at the time Germany was occupying Belgium.

Mr. FESS. Germany was to make them good.

Mr. SMOOT. Belgium felt that she was obliged to redeem those paper marks, notwithstanding she was forced to issue them. In consideration of the agreement made by the three countries to relieve her of the indebtedness that had been advanced by them to Belgium the amount would be paid by Germany.

Mr. FESS. I had understood that upon representations of our own representative in the conference Belgium agreed to cut that demand from a billion dollars to $500,000,000.

Mr. SMOOT. That is correct.

Mr. FESS. And entirely to forego the other requirements as to the 6,200,000,000 marks.

Mr. SMOOT. I will say to the Senator that I have already stated that in the Senator's absence.

Mr. FESS. I did not know that. That is the basis of the obligation, is it not?

Mr. SMOOT. I might say that there are other reasons, which I have already stated, but those two points were the very points that brought about the letters which I have read here from Lloyd-George, Clemenceau, and Woodrow Wilson.

Mr. President, as we all know, France and Great Britain ratified the treaty and the United States did not. The question of the release of Belgium from her obligation to repay the prearmistice advances was submitted to the Senate by President Wilson in a message dated February 22, 1921, a few days before he retired from office. The question was never considered. The man in the street in Belgium always regarded the action of President Wilson as the action of the United States and the failure to carry out the terms of his agreement a breach of good faith.

The commission, of course, took the position that there was no legal obligation upon the United States as a result of President Wilson's agreement. It was plain, however, that Belgium, acting upon the assurances received from him, had waived important rights which otherwise it might have obtained. The commission, therefore, felt that there was weighty moral obligation upon the United States to carry out President Wilson's agreement so far as this could now be done. In its consideration of the prearmistice debt, therefore, the commission had a unique problem which differentiated this portion of the Belgian debt from all other debts due from foreign countries.

You all know what happened to article 232. The treaty was not carried out by Germany. Her failure to pay reparations as therein provided finally resulted in the adoption of the Dawes plan in August, 1924. A few months later, on January 14, 1925, there was signed at Paris an agreement apportioning the Dawes plan receipts among the several countries. Article 4 of this agreement provided as follows:

ARTICLE 4

BELGIAN WAR DEBT

(A) As from the 1st September, 1924, 5 per cent of the total sum available in any year after meeting the charges for the service of the German external loan, 1924, and the charges for costs of commissions; costs of United States Army of Occupation; annuity for arrears of pre-1st May, 1921, Army costs; prior charge for current Army costs; and any other prior charges which may hereafter be agreed shall be applied to the reimbursement of the Belgian war debt as defined in the last paragraph of article 232 of the treaty of Versailles.

(B) The amounts so applied in any year shall be distributed between the powers concerned in proportion to the amount of the debts due to them respectively as at 1st May, 1921. Pending the final settlement of the accounts, France shall receive 46 per cent, Great Britain 42 per cent, and Belgium (by reason of her debt to the United States of America) 12 per cent.

France and Great Britain agreed to accept their proportion of the amounts to be received from Germany in full settlement of Belgium's obligations with respect to her prearmistice debts and Belgium to this extent has been relieved of the debts to these two Governments, and both of them larger debts than she was owing the United States. Under the terms of the Paris agreement the amount applicable to the prearmistice

debt to the United States was to be paid to Belgium and subsequently paid over by Belgium to this country.

The Belgian commission strongly urged that the United States accept in discharge of her prearmistice debt the sums to be received under article 4 of the Paris agreement; that the United States should carry out President Wilson's agreement and relieve Belgium of her obligation, as France and Great Britain has done. The commission, however, refused to accede to this position, and would not consent to the substitution of Germany for Belgium for repayment of the sums due. The commission felt, however, that under all the circumstances the United States should not ask Belgium to repay more than the principal of the prearmistice advances. The schedule of payments referred to above was finally agreed to, Belgium agreeing to make each annual payment in full, irrespective of whether she received any reparations from Germany.

Under article 4 of the Paris agreement the United States has already received $875,839.30. This is to be applied against the first payment due from Belgium on June 15, 1926.

I doubt if there is any Senator who will rise on the floor of the Senate to object to this feature of the Belgian settlement. I need not recall to your minds the glorious rôle played by Belgium at the outbreak of the war. If this valiant nation of 7,000,000 souls had not stood steadfast against the crushing blows of the German military machine, no one knows what the history of Europe and of the world would be to-day. No one can deny that France and Great Britain can less afford to forgive Belgium her prearmistice loans than the United States. They who are owed much larger sums than we have agreed to look only to Germany for payment. We, though morally bound to look only to Germany, have insisted that Belgium remain liable. The difference between the position of the United States and that of France and Great Britain is that if reparation payments cease or are further modified the ultimate recovery of France and Great Britain will be less, while the United States has Belgium's firm agreement to pay the amounts due irrespective of reparations.

As I have stated, the funded principal of the postarmistice debt as of June 15, 1925, amounted to $246,000,000. This amount is to be repaid in substantially the same manner as provided in the British agreement, except that during the first 10 years of the debt-funding period Belgium is not required to pay interest at the rate of 3 per cent per annum, but pays in lieu thereof the following arbitrarily fixed amounts:

| | |
|---|---|
| 1926 | $1,740,000 |
| 1927 | 2,000,000 |
| 1928 | 2,250,000 |
| 1929 | 2,500,000 |
| 1930 | 2,750,000 |
| 1931 | 3,250,000 |
| 1932 | 3,750,000 |
| 1933 | 4,250,000 |
| 1934 | 4,750,000 |
| 1935 | 5,250,000 |

Thereafter Belgium pays interest at the rate of 3½ per cent per annum, as provided in the British agreement. A complete schedule of the payments has already been inserted in the RECORD.

Commencing with the eleventh year the total payments to be made by Belgium each year for the remaining 52 years of the period will be approximately $12,700,000 a year. The adjustment of the earlier payments was made to bring the total annual payments during the first years within Belgium's capacity to pay, and particularly to help her meet her present difficulties in obtaining foreign exchange on account of the unfavorable balance of her commodity trade, the shrinkage in her income from foreign investments, and the lack of other invisible items in amounts sufficient to offset her unfavorable commodity trade balance, and further to aid her in her efforts to balance her budget and place her currency on a sound basis.

For these reasons, Mr. President, I will ask the Senate to confirm and vote for the agreement between the United States and the Kingdom of Belgium.

Mr. OVERMAN. Mr. President, the Senator may have stated this; but if so, I was not here at the time: What proportion of the debt do we get, in percentage?

Mr. SMOOT. Of the original debt, both the prearmistice and the postarmistice debt, we get about 55 per cent, but with interest added at 5 per cent on the original amounts up to the date of the settlement we get 47 per cent of the whole amount.

Mr. SWANSON. Mr. President, I did not favor the Italian settlement because I did not think it was sufficiently just to the American taxpayer. I am earnestly in favor of this settlement. I think it is a generous settlement on the part of the United States and a just one for Belgium.

Of all the nations that were heroic during the late great World War, that followed the pathway of duty with sacrifice and with loss, Belgium takes precedence. Whatever may be said about other nations causing this great world conflict, which destroyed half the wealth of the world, more than 10,000,000 soldiers and 20,000,000 people, Belgium was without fault. The neutrality of her country had been pledged by all the leading belligerents in the war. She was in honor bound to protect that neutrality; and when it was invaded, the pathway of duty was open one way only. The pathway of ease and comfort and profit was the other way. Be it said to the glory of Belgium, that heroically, manfully, with suffering and sacrifice, she followed the pathway of duty; and I, for one, will not bargain and trifle over a settlement with so heroic a nation and so heroic a people.

I would misrepresent my people, who admire the heroism, the courage, the splendid valor, and sacrifice exhibited by Belgium, if I should fail to vote for the ratification of this settlement. After the settlement with Italy I can see no occasion to haggle and refuse to give this settlement to Belgium, which pays twice the proportion of the original debt that will be paid by Italy. If I had had my way, the terms of settlement with Belgium would be more generous than those extended to Italy. No nation suffered more in the Great War; there was no government there; her territory was overridden; yet, during those stormy and tempestuous times she acted with heroism, with courage, and with valor.

There can not be found in the history of the world a nation whose sacrifices and suffering exceeded those endured by Belgium in the last great conflict simply to carry out what she conceived to be her duty. When she went to Versailles she acted generously. She was no stumblingblock there. She was no barrier to peace. At that time and since she has conducted herself in a manner worthy of confidence and worthy of the esteem of the world. I would ill represent my people, I would misrepresent them if I should not consider that I ought to vote for this settlement, and it shall have my earnest and willing support.

Mr. SMOOT. Mr. President, I thank the Senator for his statement.

Mr. FESS. Mr. President, will the Senator yield?

Mr. SMOOT. In just a moment.

Mr. President, I have collected here a mass of information as to the resources of Belgium; as to the burdensome taxes that are placed upon the people; as to the actual cost to the Belgian Government of the wicked and cruel war; but I am not going to take the time now to discuss those things. Some question may arise in the Senate that will require an answer; but I want to say to the Senate that there is an answer to every statement that will be made in opposition to this settlement, and I doubt whether there will be very much opposition to it, for in my opinion the settlement is absolutely just to the United States. From all the study I could give to it, after attending every session that was held by the Debt Commission and hearing the great men of that great country depict the conditions existing there, the suffering that the people went through, and the cruelties that they had to suffer, I came to the conclusion that this settlement ought to bring a lasting friendship between the two nations; and I think that is the feeling of the people of Belgium.

Mr. President, I hope and trust that we may have favorable action upon this settlement. The people of Belgium to-day are struggling with all their might and with every power they have at their command to keep their franc at 5 cents instead of 19 and a fraction. What Belgium wants to do is to stabilize her currency. She wants to have her credit upon such a basis that all the nations of the world dealing with her may feel that they are dealing with a sovereign state whose credit can not be questioned in any way.

Let us not delay this settlement longer. Let us get an early vote upon it. Let us say to the Belgian people: "We consider this a just settlement between the two nations; and if there is any power that we control or have in our hands to help you get back on a stable basis, with your industries moving forward in a successful manner, it will be a great pleasure for the people of the United States to assist in bringing it about."

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. SMOOT. Yes.

Mr. CARAWAY. By the time we get through stabilizing everybody else's credit, will we not have to have somebody help stabilize ours?

Mr. SMOOT. No, Mr. President. With almost all the gold in the world in the United States, we never will come to the time when the currency of the United States is below par.

Mr. CARAWAY. I reckon, then, that we can give away all we have, and still have more than we need.

Mr. SMOOT. I do not think, Mr. President, that we are giving away anything. I feel that we are getting all we can.

Mr. FESS. Mr. President, has the Senator from Utah calculated what the annual payment of interest will be from all the countries with which we have made settlements?

Mr. SMOOT. All that we have made settlements with up to date?

Mr. FESS. Yes.

Mr. SMOOT. I thought I had those figures, but I have not. I have simply the total amount received.

Mr. FESS. I understand that the item in our appropriations to take care of the annual interest is about $833,000,000.

Mr. SMOOT. Oh, the Senator means the amount of interest that we pay?

Mr. FESS. No; I am wondering how much of our annual interest we will be able to cancel by reason of the other governments paying interest to us.

Mr. KING. About $50,000,000 next year.

Mr. FESS. The Senator has not calculated it?

Mr. SMOOT. Will the Senator please ask the question again?

Mr. FESS. I wondered what would be the sum total of the interest paid to us annually by the foreign debtors.

Mr. SMOOT. It will be about $200,000,000, in round numbers. I was going to figure it out in detail, but it is about $200,000,000.

Mr. FESS. While our public debt is $20,000,000,000 now, if we can regard these foreign loans as bills receivable when the settlements are made what will our public debt be after that?

Mr. SMOOT. We have already funded the amount of $7,434,504,000, and the total to be received from those funded debts is $15,200,688,253.93.

Mr. FESS. That is what I want.

Mr. HOWELL. Mr. President, I think I might throw some light upon the question that was asked.

Mr. SMOOT. I will say to the Senator that perhaps it could be put in this way, so as to separate the principal and interest: In other words, the funded debts to which the commission have already agreed amount to $7,434,504,000, including interest, of course, up to the date of the settlement, and the interest to be collected is $7,766,184,253.93, or a total of $15,200,688,253.93, as I stated before.

Mr. FESS. That is what the commission has already recommended; and that leaves France and Greece and what other country—Yugoslavia?

Mr. SMOOT. We have not settled with France and Greece and Yugoslavia.

Mr. HOWELL. Mr. President, I take the liberty of throwing some light upon the question which the Senator asked. We have settled debts running about $7,700,000,000, according to the Treasury balance, and every debt is canceled, and on the basis of the interest we are paying now we have an interest deficit of $106,000,000 per annum. We get nothing but enough to pay the interest that we must pay on the bonds from which these loans were made, but the amount that we get is short $106,000,000, and then every debt is canceled.

Mr. HARRISON. Mr. President, I do not care to delay a vote upon this bill. There are, however, one or two features of it about which I wish to say something.

The Senator from Utah employed much of his speech in the discussion of the letter that was written to the representative of Belgium by Clemenceau, Lloyd-George, and Woodrow Wilson, and he talked of the moral obligation of the United States to show some favored treatment toward Belgium. I feel that there is a moral obligation on the part of the United States toward Belgium. I showed my faith in that by voting for the treaty of Versailles. I do not care what has been said about it, what criticism has been hurled against it, I am still of the opinion that it would have been better for the world if the treaty of Versailles had been ratified by the United States Senate.

Having voted for the ratification of the treaty of Versailles, following those long days of suspense and anxiety, and the persistence upon the part of America's representatives at Versailles in order to obtain what they did obtain, I have a right to say that we are under moral obligation to Belgium. But when the Senator from Utah, and some of his colleagues on the American Debt Commission, and some others in this Chamber, now employ the argument that we are under moral obligation to release Belgium from all interest charges on her prearmistice debt because our representatives made that representation to Belgium during the consideration of the treaty of Versailles, it comes, it seems to me, with poor grace. If they feel now that we are under a moral obligation, why did they not feel that we were under some moral obligation to stand by America's representation at Versailles, when the treaty of Versailles was presented to the Senate, and all of its provisions, including this provision, were being considered?

It was a tragic experience the Senate passed through, and there were scenes then enacted and speeches then made and actions of certain Senators then employed by their votes and otherwise, which reflected no particular credit upon them, and won no glory for America.

I recall, when I was a Member of the other body and served on the Foreign Affairs Committee, that President Wilson, on his first return from abroad, with the first draft of what is known as the covenant of the League of Nations, invited the members of the Foreign Affairs Committee of the House and the Foreign Relations Committee of the Senate to the White House for a conference. I shall never forget the impressions that were made upon me in that meeting. I can see now the members as they sat around in the gold room, with the President in the center.

I recall that of all the members of the Foreign Relations Committee of the Senate who were invited to attend that conference every one attended save the present distinguished chairman of the Foreign Relations Committee. I thought the position then taken by the Senator from Idaho [Mr. BORAH] a very proper position in view of his unyielding conviction. It reflected credit upon him. His answer to the invitation, as I recall now, was to the effect that he was opposed to the League of Nations in any form and that he did not care to embarrass the meeting by being in attendance. His answer was polite and to the point. But there were others there. Every member of the Foreign Relations Committee of the Senate was present that night save the Senator from Idaho [Mr. BORAH].

I recall that the President of the United States, as he had distributed to the various members the original draft of the League of Nations covenant, said:

> Gentlemen, I am here for just a few days. This is the first draft. I do not know whether any of its provisions can be changed. I doubt whether they can. It has been a hard fight to get what is in this covenant. But I want you gentlemen to give me the benefit of your wisdom and your advice and your counsel and to make such suggestions as you like. Let us discuss them here in this family circle, and I will go back, if you agree here upon some added suggestions, and see what can be done.

I recall that four suggestions were made, and they were all that were made. Within a few days the President went back to Europe, and in the covenant of the League of Nations he incorporated the four suggestions which had been made. Yet some of the very Senators who made the suggestions felt no moral obligation to support those things their representative abroad had been able to have incorporated in that covenant.

So when the treaty of Versailles came here it was defeated, and this is the first time some of those distinguished Senators have felt it their duty to appeal to any moral obligation that was in that treaty. It is done now for the first time. What right have you who then spurned it to now hold it high as a moral obligation to pass this measure?

Mr. SMOOT. Mr. President, will the Senator yield?

Mr. HARRISON. I yield to the Senator.

Mr. SMOOT. The Senator voted against the reservations, did he not, made to the League of Nations covenant?

Mr. HARRISON. I voted in every possible way on the treaty of Versailles. I first voted to have it without any reservations, and I voted to accept some reservations. I am only sorry now that I did not even vote for the so-called Lodge reservations.

Mr. SMOOT. Did the Senator vote for the Lodge reservations?

Mr. HARRISON. No; I did not. I voted for the treaty of Versailles in its original form.

Mr. SMOOT. That is what I thought.

Mr. HARRISON. What is the Senator trying to get at with me?

Mr. SMOOT. I understood the Senator to say that he voted for all the reservations; that he was in favor of the treaty with all the reservations which had been made. I may have misunderstood the Senator.

Mr. HARRISON. If I did say that, I gave the wrong impression about my position. I would have voted for the reservations if I had thought that was the only way we could have entered the League of Nations. I thought the better plan—and some of my colleagues felt the same way about it—was to vote to stand pat on the treaty in its original form. Consequently we voted against the reservations. If I had believed the only way this Government might ever be permitted to enter the league was through the adoption of the Lodge reservations, I would have voted for them.

If I understood correctly, the Senator from Utah voted for the so-called Lodge reservations?

Mr. SMOOT. I did.

Mr. HARRISON. Is the Senator sorry that he voted for the Lodge reservations?

Mr. SMOOT. I am not.

Mr. HARRISON. Is the Senator sorry that his vote for the Lodge reservations caused the defeat of the League of Nations?

Mr. SMOOT. Am I sorry for what?

Mr. HARRISON. Is the Senator sorry that his vote for the Lodge reservations caused the defeat of the League of Nations?

Mr. SMOOT. I do not say that it did cause the defeat of it. The vote of the Senator from Mississippi did that.

Mr. HARRISON. Then the Senator is really regretful, if he will permit me to follow up the question, that I voted against the Lodge reservations; he wishes I might have voted for the Lodge reservations, so that we would now be in the League of Nations.

Mr. SMOOT. Yes; I think if the Democrats had voted for the Lodge reservations, we would have been in the League of Nations.

Mr. HARRISON. So I understand the Senator to be for the League of Nations now, with the Lodge reservations?

Mr. SMOOT. From what the Senator says, he has changed his mind, and he is sorry he did not vote for the Lodge reservations.

Mr. HARRISON. The Senator is not answering my question at all. Is he sorry now that we are not in the League of Nations, even with the Lodge reservations?

Mr. SMOOT. No; I am not even sorry for that.

Mr. HARRISON. The Senator is glad we are out of it?

Mr. SMOOT. I am.

Mr. HARRISON. So the Senator was practicing a piece of political hypocrisy when he voted for the Lodge reservations, and pretending that he was for the League of Nations, when he was not.

Mr. SMOOT. The Senator is absolutely wrong. Things have developed since then that no one anticipated would develop, which have convinced me that even with the Lodge reservations we would have gained nothing by going into the League of Nations.

Mr. REED of Missouri. Mr. President, did I not warn the Senator that they all would happen? I just call attention to that.

Mr. KING. The Senator from Missouri was a modern Cassandra.

Mr. SMOOT. The Senator did not warn me. I did not need any warning. The Senator warned the Senator from Mississippi.

Mr. REED of Missouri. And I warned all you mild reservationists; you fellows who wanted to be stuck in the transom, halfway in and halfway out, what would happen; and it has happened, and you have changed your minds. I do not know whether my friend from Mississippi has changed his mind or not.

Mr. HARRISON. No; your friend from Mississippi has not changed his mind.

Mr. REED of Missouri. Even two elections will not change the Senator from Mississippi.

Mr. SMOOT. The Senator from Mississippi said he was sorry he did not vote for the Lodge reservations.

Mr. HARRISON. What transpired afterwards of course makes me sorry I did not vote for the Lodge reservations, because if we on this side had voted for the Lodge reservations we would now be in the League of Nations, and, in my opinion, if we had been in it from the beginning and had had the same kind of leadership that we had 8 and 10 years ago, many of the controversies which have arisen would have been settled peaceably and to-day the League of Nations would be even stronger than it is. It would have had a potential effect upon the economic rehabilitation, as well as common understanding throughout Europe.

Mr. SMOOT. The Senator says things have happened. It is because certain things have happened that I would not even want to vote for the League of Nations with the Lodge reservations now.

Mr. HARRISON. If about 10 of us who voted to stand pat upon the League of Nations covenant had accepted the Lodge reservations, we would now be in the League of Nations. The difference between the Senator and myself is that I wish I had done that, so that we would to-day be in the League of Nations. The Senator is sorry he voted for the Lodge reservations and is glad we are still out of the League of Nations. That is the difference between us.

Mr. BORAH. Mr. President, I think the Democrats who refused to vote for the Lodge reservations, and thereby kept us out of the League of Nations, are entitled to a debt of gratitude from the people of the United States.

Mr. HARRISON. I have no doubt about the Senator's views. The Senator has been very consistent; so have the Senator from California [Mr. JOHNSON] and the Senator from Missouri [Mr. REED] on this proposition; but the Senator from Utah—he does not know how the word "consistency" is spelled.

Mr. SMOOT. I am just about as consistent as the Senator from Mississippi.

Mr. HARRISON. The Senator from Mississippi has been consistent, because he started out for the league, is still for the league, and only regrets that he has not the vote and power to make this Government a member of the league.

Mr. SMOOT. No; the Senator is not consistent at all. He voted to keep us out of the league. Now he says he wishes he had voted to get us into the league. That is because of what has happened. What has happened makes me very glad that we did not get into the league in the beginning.

Mr. HARRISON. I can not understand why the Senator says that I voted against the league. The Senator knows that I was one of those who stood by it from the beginning to the end.

Mr. SMOOT. The Senator knew just as well as he knows this very moment that when he voted against the Lodge reservations it was defeating the league.

Mr. HARRISON. No; I did not at that time.

Mr. SMOOT. Yes; the Senator knew that would defeat it.

Mr. HARRISON. I thought at that time that if the Lodge reservations should be incorporated it would defeat our entrance into the league, because I never believed the other nations would accept us with the Lodge reservations. I always thought that the Senator voted for the Lodge reservations in order to defeat and kill the League of Nations. But now we are told that he voted for them because at that time he believed in our going into the league.

Mr. SMOOT. Mr. President, with those reservations I saw no reason why we should not go into the league.

Mr. HARRISON. But the most inconsistent position the Senator has taken is in the consideration of this Belgian debt agreement. He calls on the Senate now to ratify the Belgian debt agreement because we are under moral obligations to the Belgian people to release this interest charge on the prearmistice debt because of the provisions in the treaty of Versailles and the letter the President wrote to the ambassador from Belgium.

Mr. SMOOT. The Belgian Government would never have signed the Versailles treaty unless that provision had been put in it.

Mr. HARRISON. But the Senator helped to kill that provision by his vote in the United States Senate.

Mr. SMOOT. So did the Senator from Mississippi.

Mr. HARRISON. Now he wants the Senate to consider it as a moral obligation.

Mr. SMOOT. The vote of the Senator from Mississippi did kill it.

Mr. HARRISON. I alluded to that merely to show the Senator's political inconsistency. Of course, he said that we might have been able to get a little more out of Belgium if it had not been for this particular condition that entered into it. I am going to vote for the Belgian debt agreement. I do not know whether it is the best settlement that could have been obtained from Belgium or not. I have had more sympathy for Belgium in the consideration of all these debt agreements than I have had for any other European country. Belgium throughout the war stood manfully and heroically, and since the war has given to her allies and given to the United States no trouble, but, on the contrary, a high measure of cooperation. While I had hoped that in all these debt agreements the measure laid down in the settlement with Great Britain would be followed, yet, if there was to be an exception, I was hopeful that it would be with Belgium and with no other country.

Following the settlement with Great Britain, our next agreement was with Belgium, and this exception was made, and because, as the Senator from Utah said, of this representation made by Wilson, Clemenceau, and Lloyd-George to the Belgian representatives, the interest on the prearmistice debt was excused, and the same interest was applied on the postwar debt as was applied in the British debt settlement. So in reference to the Belgian proposition the country was led to believe that the same measure of interest, that the same number of years in which to collect our debt, that practically the same terms—

terms similar in character—were to be imposed on Belgium as were imposed on Great Britain. That was all right. That was very proper. When other little countries made their debt agreements the same rule was followed and similar terms were imposed.

But, following that settlement, within the last few weeks the Senate has been discussing the Italian agreement, which shows that America's commissioners evidently forgot this representation made by Clemenceau, Lloyd-George, and Wilson to Belgium, forgot the part that Belgium played from the beginning of the war until its close, forgot the fine cooperation that was evidenced upon the part of Belgium following the war and up until this good time, forgot the rational manner in which that Government has conducted itself, and the fine spirit of her people, and they say, notwithstanding the fact that we are collecting or intending to collect only about 55 per cent from Belgium, that we are releasing Italy from 73 cents on the dollar. Having in mind what the Senate has done with reference to the Italian debt settlement, giving to Italy $1,500,000,000 out of $2,042,000,000 that she owes us, conceding to her 73 cents out of every dollar, I could not vote against the Belgian debt settlement, which concedes to Belgium only 45 per cent.

As a member of the Finance Committee, while I have not had any facts, nor has any other member of the Finance Committee gleaned any facts from any member of the commission, and it looks like we will not get any facts, yet I have waited in the hope that some one could tell what justification there is, in view of the part that Belgium played in the war and the part that Italy played in the war and the circumstances that surrounded the two Governments in the beginning of the war and during the war and since the war, for an agreement that collects from Belgium 55 per cent and from Italy only 27 per cent? I hope during the discussion of the Belgian debt settlement, as I hope in the matter of the other agreements that are to follow, that the Senator from Utah will give to us some reason why we should exact from Poland 82 cents on the dollar of her debt and collect from Italy only 27 cents on the dollar of her debt. I had hoped that during this discussion, and I still entertain the hope, the Senator would give us some reason why he has conceded to Czechoslovakia and Hungary and Lithuania and the other little countries only 18 cents out of each dollar, while he has conceded to Italy 73 cents out of each dollar.

Mr. DILL. Mr. President——

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. HARRISON. I yield.

Mr. DILL. Might it not be that we do not have to loan Belgium so much as we do Italy, and she will have an ability to pay, because Belgium is not trying to keep up an army for imperialistic purposes like Mussolini?

Mr. HARRISON. I had hoped the Senator from Utah would tell us something about the standing armies over there. I serve notice on the Senator from Utah now that when the French debt settlement comes before us, I do not care what the terms are, as one member of the Finance Committee I shall try to hold it before that committee until we get all the facts relating to the ability of France to pay, and at the same time try to elicit from the commissioners the basis for charging these very little countries 82 cents on the dollar and then charging Italy only 27 cents on the dollar and Belgium 55 cents on the dollar. I shall try to get some information that will bear on the ability of those countries to pay.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. HARRISON. I yield.

Mr. CARAWAY. If the Senator is serious about that, he means to keep it in committee always, because if they have any information they are not going to give it out.

Mr. HARRISON. I doubt whether they are going to give us any information.

Mr. CARAWAY. I think, in the first place, they have none.

Mr. HARRISON. I have about reached the conclusion that they have no information. What transpired yesterday has convinced me that one man, and one man alone, has written all of these debt settlements. The papers yesterday were carrying in bold type a story giving the purported terms of the settlement with France, and yet the Senator from Utah, a member of the commission, rose and said that he knew nothing about it, had not seen it, and had not heard anything about the terms. That shows what some of us have been contending in the discussions, that one man wrote the Italian debt settlement. I do not know where his inspiration came from, but I know there was propaganda abroad in the country, a propaganda that no doubt, if the facts could be known, was well financed, backed by the money interests of the country, backed by the bondholding interests of the country, backed by the copper interests of the country, backed by everyone, perhaps, who had bought some of the Italian bonds that were sold recently by Morgan & Co., and which they saw on day before yesterday rise in value when the Italian debt settlement was ratified by the Senate of the United States.

Mr. REED of Missouri. Mr. President, will the Senator yield?

Mr. HARRISON. Certainly.

Mr. REED of Missouri. The position taken by the Senator with reference to France is absolutely correct; but why should we not delay the settlement of all these matters until we get similar information in regard to all the countries?

Mr. HARRISON. The Senator is exactly right. I voted for the motion of the Senator from Idaho [Mr. BORAH], and yet the Senator from Idaho, the Senator from Missouri, and myself and others who supported it were voted down by a very large majority. As I said yesterday, I do not know what influence, what power, is pressing all of these agreements for such prompt ratification. It was stated when the motion was presented by the Senator from Idaho that the Italian debt settlement and these other settlements were not before the committee for discussion and consideration over 30 minutes. There were no facts given to the Committee on Finance.

Mr. CARAWAY. I would like to say that if the proposed settlements stayed there even that long it was not necessary, because the Debt Commission never imparted enough information to have taken 15 minutes to acquire.

Mr. HARRISON. The Senator from Utah gave to the committee no information. The committee just acted and reported out the settlement agreements. The bills that gave relief in the matter of the reduction of taxes to the American people were considered in the committee for weeks and months. All important legislation receives full consideration of the committees, and yet this tremendous proposal that takes from the American people $1,500,000,000 was reported out of the committee without any consideration or any information given to the members of the committee.

When the Senator from Idaho offered his motion many Senators voted against it. What reason will they assign to their constituents for voting against it in view of the fact that the Committee on Finance gave no consideration to the question at all? What was contemplated by his motion to refer it back to the committee? Was there anything extraordinary in it? Did he ask for any unreasonable terms? He merely said that it should be sent back to the committee for this purpose, and let me read it again:

> That said investigation include an inquiry into the private loans made or to be made to the Italian Government and as to the showing made by the Italian Government to the parties making said loans as to its capacity to meet them.

Why should not the Senate have had that information? Here were the Senator from Pennsylvania [Mr. REED] and the Senator from Utah telling us of the deplorable condition in Italy, and yet, here were Morgan & Co. and other bankers in New York who were attempting to float this $100,000,000 worth of bonds, who were picturing the condition of Italy as wonderful. Here was the American Chamber of Commerce of Italy telling the world how Italy was being restored economically and her conditions rapidly improving.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

Mr. HARRISON. I yield to the Senator from Arkansas.

Mr. CARAWAY. Does the Senator from Mississippi believe that the firm of Morgan & Co. loaned Italy $100,000,000 with no more information than the Senate had when it ratified the Italian debt settlement?

Mr. HARRISON. I have not the slightest doubt that Morgan & Co. and the other bankers who sold those bonds investigated Italian conditions to the fullest extent. They are conservative men; they do not go off halfcocked. They are intelligent men; they know what they are about. They are not going to touch any loan if it is not backed up by good and sufficient security. So I rely upon the statements made by those distinguished bankers of New York when they floated that $100,000,000 worth of Italian bonds.

All the Senator from Idaho wanted to do was to have the Committee on Finance investigate the facts upon which those statements made by the New York bankers and published in the newspapers rested.

Mr. CARAWAY. Mr. President, may I interrupt the Senator from Mississippi for just a moment?

Mr. HARRISON. Yes.

Mr. CARAWAY. It is quite apparent, is it not, that Italy deceived either the New York bankers or deceived the Senate?

Mr. HARRISON. Yes; there is no question about that.

The motion of the Senator from Idaho to refer further stated:

> That the said private bankers who have made a study of Italy's economic, industrial, and financial conditions be called before the committee to give the committee whatever information they have as to the present capacity of the Italian Government to meet its obligations.

So I must assume that those distinguished Senators who voted against the motion of the Senator from Idaho did not want to obtain the views of those New York bankers in order that we might ascertain the facts upon which they based their published advertisements to sell the bonds. The Senator from Idaho desired further in this motion to refer to the Finance Committee—

> That further inquiry and investigation be made as to the present military expenditures of the Italian Government, and also the plans of said Government for an increase of its military expenditures.

Was not the Senate entitled to first-hand information about that matter? Yet Senators here by a large vote denied the request to impose upon the Senate Finance Committee the duty to look into these facts. They knew more about it than did the New York bankers; they choose to rely upon the word of the distinguished chairman of the Committee on Finance [Mr. SMOOT] and the Senator from Pennsylvania [Mr. REED], who when the matter was before the Finance Committee gave the committee no information.

So, Mr. President, in view of the favored treatment which we have given to Italy, I could not vote against this agreement with Belgium. I agree with the Senator from Missouri [Mr. REED] that we ought to know all the facts about all of these debt settlements; and we ought to know the condition of every one of these countries, their military programs, everything connected with them from start to finish; and that information we have not received.

Mr. McKELLAR. Mr. President, will the Senator from Mississippi yield to me?

Mr. HARRISON. Yes; I yield.

Mr. McKELLAR. As I understand, the Senator states that he thinks there are reasons why Belgium ought to have been given favored treatment. I agree with him entirely; I also think there are some reasons why we should give Belgium favored treatment. Yet the Senator from Mississippi announces that he is going to vote to charge the Belgian Government 100 per cent more than has been charged the Italian Government. Looking at it from the standpoint of favored treatment for Belgium, does the Senator think that his vote in favor of this measure will be right in view of what the Senate has done in ratifying the Italian debt settlement?

Mr. HARRISON. I stated before the Senator from Tennessee came into the Chamber that, in view of the action of the Senate in ratifying the Italian debt settlement, which conceded to Italy 73 cents on the dollar, I could not vote against the bill providing for the Belgian settlement, which conceded to Belgium only 45 cents on the dollar. Of course, I have no right to reform the bill, but I should like to see everyone of these agreements sent back to the Finance Committee, as I have stated, in order that we might secure some facts. That, however, can not now be done. We have agreed to a number of these debt settlements. As a Senator, I feel badly when I vote for the ratification of these other lesser agreements, one of them with Rumania, one with Esthonia, another with Czechoslovakia, and another with Latvia, which provide for the collection from every one of those nations of 82 cents on the dollar, which concede to those Governments on their debt settlements only 18 cents, when on Wednesday last the Senate conceded to Italy the high figures of 73 cents on the dollar.

Mr. President, I have said all I desire to say on the subject.

Mr. REED of Missouri. Mr. President, we are here considering the question of canceling some hundreds of millions of dollars of debts with about 12 or 14 Senators in the Chamber, and, as suggested to me by my witty friend from Arkansas [Mr. CARAWAY], nobody entertains the notion they are listening. This is a fitting illustration of the way the public business is being attended to and the money of the people of the United States is being donated to foreign countries. It is a fitting illustration of the decadence of the Senate and of Congress. It is a reinforcement of the argument I made yesterday that there must be a political upheaval, a revolution, in this country to insure that the business of the people shall be attended to properly by those sent here to represent them.

I recognize the fact that the time for argument in this case, argument that will convince, has passed.

Mr. BORAH. Mr. President——

Mr. REED of Missouri. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, I should like to ask the chairman of the committee if he expects to have a vote upon this measure this afternoon?

Mr. SMOOT. I should like to have a vote upon it, and then take an adjournment to Monday.

Mr. BORAH. I have no desire to delay the bill, Mr. President, but I wish a yea-and-nay vote upon it.

Mr. SMOOT. I think the Senator is entitled to have a yea-and-nay vote.

Mr. CARAWAY. Mr. President, may I ask why not let us vote on the bill and then discuss it next week? Everybody knows how we are going to vote, and we can just take a day when we have nothing else to do and argue all these foreign debt settlements, because as to them there has been no information given us.

Mr. McKELLAR. Mr. President, on an important matter such as this I think we ought to have a quorum, and I make the point of no quorum.

The VICE PRESIDENT. The absence of a quorum being suggested, the roll will be called.

The roll was called, and the following Senators answered to their names:

| | | | |
|---|---|---|---|
| Ashurst | Edwards | Jones, Wash. | Ransdell |
| Bayard | Fernald | Kendrick | Reed, Mo. |
| Bingham | Ferris | King | Reed, Pa. |
| Blease | Fess | La Follette | Sackett |
| Borah | Frazier | Lenroot | Sheppard |
| Bratton | George | McKellar | Shortridge |
| Broussard | Gillett | McKinley | Smoot |
| Bruce | Goff | McMaster | Stanfield |
| Butler | Gooding | McNary | Stephens |
| Caraway | Hale | Mayfield | Swanson |
| Copeland | Harris | Neely | Trammell |
| Couzens | Harrison | Norris | Tyson |
| Curtis | Heflin | Nye | Wadsworth |
| Dale | Howell | Oddie | Warren |
| Deneen | Johnson | Overman | |
| Edge | Jones, N. Mex. | Pine | |

The VICE PRESIDENT. Sixty-two Senators having answered to their names, a quorum is present.

Mr. REED of Missouri. Mr. President, I have seen many strange things happen in this body in the 15 years I have been a Member of it; but the strangest thing I have ever observed is the spectacle of the Senator from Utah [Mr. SMOOT] wrapping the shroud of Woodrow Wilson about him, and endeavoring thereby to give sanctity to his acts.

We are now told that an unauthorized promise or understanding between President Wilson and the representative of Belgium is a sacred thing and ought to be redeemed. It is the first time in all of the history of Woodrow Wilson's eight years of service that the Republican majority have seen fit to give respectability or to add the odor of sanctity to their acts by appealing to Woodrow Wilson as authority. It is only another illustration of the fact that the old maxim was correct that men frequently steal the livery of Heaven in which to perform the offices of the devil.

I have entertained but one opinion in regard to this and similar propositions, and have frequently expressed it upon the floor. It is that this is a Government of the people of the United States; that all power and authority is reserved to the people; that Members of the House of Representatives, Members of the Senate, and occupants of the office of President are only temporary agents, with limited authority; that when they act within the purview of that authority their action is binding and valid; that when they go beyond the purview of that authority their action is a usurpation, is null and void in law and in equity and in morals, and is binding upon no one.

The only authority to loan this money in the first instance was the authority of a law passed by the representatives of the people in Congress assembled and duly signed by the President. Within the four corners of that act is to be found the sole authority to bind the people of the United States. The authority of the President of the United States is bound and circumscribed and measured by the Constitution and statutes of the United States. Within that Constitution and those laws and wheresoever authorized the President may speak. One hair's breadth beyond the border he stands as a single individual, without authority to bind anyone except himself.

I do not know what President Wilson may have said in a private conversation with the representative of Belgium. It is not my province to speak for the dead. His lips are silenced. His tongue is stilled. His brain no longer functions with the brilliancy of thought it once did. I feel that I have the right to protest against ex parte statements being made now with

reference to agreements or understandings arrived at between a living man and a dead man.

That kind of evidence is excluded in the courts of justice in this country, and for the very reason that it is unjust that one shall speak who still can speak when the other party to the transaction lies silent and still in the embraces of death. But if a conversation of the character referred to occurred, it had no binding effect in law or in morals upon the American people. This is a country of delegated powers; and we who speak to-day, as we occupy for a few brief weeks or months these positions we may hold, can not bind our country except as our country has authorized us to bind it. So I protest, in the name of the dust that sleeps in the silent palaces of death, against this outrage perpetuated upon the departed.

Mr. President, early in the session I asked for an examination of the facts relative to these settlements. I have never been able to get a vote. Other Senators have asked for the facts, and have never been able to get a vote. We have asked, among other things, what money of foreign countries is being expended here to interfere with our legislation. We have been denied a vote. We have asked what financial interests have been expending money. We have been denied a vote. This Senate may deny the vote, but if I live I intend to insist that some day this question will be investigated; some day the correspondence will be produced; some day the facts will be known.

I want to know who set in motion the chain of events that results in great mining companies writing to Senators and Congressmen and demanding that they vote for the substantial cancellation of these debts. I want to know who owns those companies, and how much money our votes have put in the purses of those who originated that chain of correspondence. I want to know, sir, how many banks there are in this country that are financially entangled with and are subservient to their financial overlord in New York City, and how much money our votes have put into the coffers of the head financial institutions, and what benefits may have accrued to the subordinates that have been writing to Senators and to Congressmen.

I want to know whether money has been sent across the sea, and how much of it came here to set in motion a chain of influence to affect the foreign policies of the United States of America.

Some day we will know a part at least of the story. I want to know why this committee has not brought to us information as to the facts that it does possess. I want to see the papers, the representations. I, as one of the representatives of a great State of this Union, have the right to see them, and that right has been denied.

Mr. CARAWAY. Mr. President, may I suggest to the Senator, I think it is indulging in a violent presumption that the commissioners had any facts. They have given no evidences of it. I think it is rather harsh to accuse them of withholding something they did not possess.

Mr. REED of Missouri. There never was a parallel of this spectacle. I said yesterday, and I am not going to repeat what I said yesterday other than to say this: The moment the great World War was over there were certain financial interests which set up a clamor for the cancellation of the foreign debts owed to this Government, and those interests were the interests that owned obligations of foreign governments that had been delivered to them, and they did not propose to cancel one of them or reduce the obligations by a penny.

I never expected to see the day when there would be reported into the Senate a bill providing for the cancellation of three-fourths of the Italian debt, and for these other partial cancellations that are presented to us. When we make these arguments we are met with the eloquence of silence. The attitude is that of the prisoner at the bar, who makes no defense because the jury is already fixed.

Mr. BLEASE. Mr. President, will the Senator yield for a question?

Mr. REED of Missouri. Yes.

Mr. BLEASE. The Senator opposed our entrance into the war, of course.

Mr. REED of Missouri. I opposed it up to the time when Germany warned us off the seas, and then I said that, as a self-respecting Nation, we had to go to our defense, and I voted for our entrance into the war.

Mr. BLEASE. That is right. Did the Senator expect to get any of this money back?

Mr. REED of Missouri. When we loaned it?

Mr. BLEASE. Yes.

Mr. REED of Missouri. I thought no honorable nation in the world would repudiate its bond to the United States.

Mr. BLEASE. That is one matter as to which we differed. I never expected we would get it back.

Mr. REED of Missouri. I am more hopeful than my friend from South Carolina.

Mr. BLEASE. I thought, at the time we loaned it, that we were really giving it to them.

Mr. REED of Missouri. If we had been giving this money to them, it would have been a different story. We probably would have given much less. We would have told our people frankly the truth.

Did they give us any money when they came to settle with us? Did they charge us, in some instances, for the soil on which our soldiers stood when they were defending Paris from the almost resistless charge of the German army? Did they charge us for all the food our men consumed? Did they extort the last franc and the last lira, and did we yield to them in almost all instances where there was any substance to the dispute?

Why is it that national honor is to be expected from America and from no other country?

Mr. BLEASE. There is no other country like America.

Mr. REED of Missouri. It has been stated to me that we were charged for the ground in which to lay the bodies of our gallant men who died.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

Mr. REED of Missouri. Certainly.

Mr. REED of Pennsylvania. The French Government ceded to us the land on which our military cemeteries are located.

Mr. REED of Missouri. I am glad to know that. The suggestion was made to me by a Senator sitting beside me. I am glad that they ceded us that much ground. So much I am glad to know.

Mr. REED of Pennsylvania. If the Senator will yield again, I think there is no evidence, at least I never could find any, that they ever charged us rental for the trenches, although I have heard that charge made.

Mr. REED of Missouri. I do not think there was a doubt about it. I was informed by an officer who was on the ground and engaged in the business of looking after accounts that they sent us a bill for a bridge we blew up, over which the German Army was advancing to attack the American forces. I think there is not a doubt about that. But I am glad to know about the graveyards.

Mr. President, there has never been such a story written. I think it will never be written again. I think if they want to borrow money they will not get it from the Federal Government, unless time has elapsed until the dust of memory has obliterated the records of this present day.

Mr. President, I unhesitatingly say that between the kind of settlements we are making and canceling these debts I would prefer their cancellation. I would prefer saying to Italy, "Out of the generosity of our hearts, because of our love for Italy, we are going to take the burden that legitimately rests upon the Italian people from their shoulders and we are going to fasten it upon the backs of our own people, and, as we carry the burden for you down the years—the long stretch of years that will run before this debt is paid—when you look across the ocean please at least remember us kindly."

What we are receiving to-day are their imprecations and their curses. They seem to be hard to satisfy. They got up that fight themselves. My opinion is that one country was about as much to blame as another. There was not much difference. There is not very much difference between the people, anyway, whether there was between the governments or not. They got up that fight in pursuance of national policies which had been a part of the national creeds in some instances for two or three hundred years.

I said on yesterday, and repeat very briefly, that their armies were trained, ready for instant action. Their war vessels had been reconditioned, rearmed, and revictualed. For a year of time the British fleet had been mobilized at strategic points. For more than a year of time every intelligent German knew that the order might come at any moment for mobilization. For more than a year of time the very roads through Belgium over which it was known the contending armies would march had been mapped and were clearly designated.

They got up that row among themselves. How did we get into it? Our rights were disregarded by both Great Britain and Germany. The truth might as well be told. When Great Britain sowed the North Sea with automatic mines she violated the law of nations.

Mr. REED of Pennsylvania. And our Government did a very useful and fine and brave service in sowing a lot of mines

across the North Sea and across the Adriatic when we got into the war.

Mr. REED of Missouri. Yes; but we followed a precedent. When Great Britain sowed the North Sea with mines and told America that her vessels must sail within certain channels, and that if they got outside those channels they would be blown to pieces, she violated the law of nations. She did exactly the same thing Germany afterwards did, when Germany said that if we went outside certain lines and channels, she would blow our vessels up by bombs fired from submarines. After that had all been done we helped sow some mines ourselves.

England seized our vessels, seized them illegally, seized them in violation of the law of nations, hauled them into her ports, condemned the vessels, and took the cargoes, contrary to the law of nations. Then England was smart enough, as England is always smart—and I take off my hat to British intelligence regularly—to go around and settle with the private owners of those vessels in this country. But England got the cargoes, and got the vessels illegally.

Then Germany sank some of our vessels. So, because those nations were engaged in that sort of war, we were drawn into it. We had not a solitary interest that we put on paper and put in the proclamations of the President and put into the resolutions of Congress preceding our entrance into the war, except the statement of these outrages that were being perpetrated upon America's representatives on the high seas. Justly and properly we went into this war. We were drawn into it because of the controversies of those nations. If they had had no controversies between themselves, America would have had no controversy with anybody.

Mr. BRUCE. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Maryland?

Mr. REED of Missouri. I yield.

Mr. BRUCE. Does the Senator from Missouri think Belgium entertained any destructive designs on the peace of Europe?

Mr. REED of Missouri. No; I do not.

Mr. BRUCE. We are dealing with the Belgian debt settlement, are we not?

Mr. REED of Missouri. I am dealing with the whole question. Whether Belgium had ambitious designs or not, if she had them she know full well she could not gratify them except with the aid of the greater nations. How does it affect the question whether Belgium had ambitious designs? We certainly owed no obligation to Belgium. Belgium in fact is a country, not a nation. About one-third of her population is basically German, about one-third basically French, and the balance of other races. Belgium was set up and sustained as a buffer state by certain nations of Europe. She has a fine people. Nearly all that country has fine people in it. But she was there as a buffer state and Germany violated her rights as a buffer state, violated England's rights because England had helped to set up the buffer state, and France had her army amassed on the other side of the border, and according to the best history, crossed the line before a declaration of war.

This settlement is much more commendable than the one we made with Italy. There is nothing in the story of Belgium to indicate that she harbors great and ambitious designs. But what is there in her story that calls upon us to break faith with the American people? What is there in her story that calls on us to cancel a part of the indebtedness, nearly half of the indebtedness due the United States? What is the reason why we should give away our money to a debtor abundantly able to pay?

Why, sir, every one of those European nations is rapidly getting on its feet. The hum of industry is beginning to be heard in every city of Europe. Finances are being rectified and strengthened in every country except the particular countries which are engaged in repudiating their debts in whole or in part and which have injured their own credit. Reports from Germany, some of which I have on my desk, are that Germany's agriculture and Germany's manufacturing industries are improving their position. A few years from now when these nations are upon their feet, when their factories are running at full blast, when they are selling their goods in the markets of the world, does anyone think we will not be obliged to meet their competition? Does anyone think they will not undersell us at every point they can? Does anyone think they will not take from us the markets as rapidly as they are able? Does anyone think they will withdraw in favor of an American merchant selling the goods made by American labor? If he does, he reckons without the facts. When that day comes we will find, sir, that every foot of territory they seized in this war will be so governed that some advantage will go to the merchants and the manufacturers who belong to the country holding in subjection the lands that have been taken over, and that some disadvantage will result to the American who seeks to sell American products there. We will find that they will play the game for all there is in the game. There will be no stepping aside for us. If they could destroy America's markets to-morrow by competition, they would do it. If they could undersell us they would undersell us, and, sir, if we had a war to-morrow any one of them would take sides against us if the interests of their nation lay on that side.

We saddle by this means a debt upon ourselves of billions of dollars, and if we should ever have a conflict with a foreign nation that debt would prove to be a greater enemy of this country than would be whole divisions of foreign armies. I would rather have my country at the beginning of a great war almost without an army and a navy but free from debt, than I would to have a great standing army and a great navy and a great debt, because, sir, in the long run it is the ability to borrow that wins almost every great war. A country with unlimited credit and with modern transportation can set to work and mobilize upon the field of battle the products that come from the Arctic and the Antarctic and from the Equator, can set into action the myriad fingers of the countless peoples of the earth.

She can bring cannon and rifles and guns, airplanes, goods, wares, and merchandise if she has the money, and if she has the credit, she can get the money. Just in proportion as we fasten a debt upon this country and relieve other countries of that debt, just in that proportion do we weaken the United States in any conflict she may have hereafter. That is one reason why I am in favor of not reducing the taxes too rapidly, for the best preparation this country can ever make for emergencies is to pay off her national debt and have an unlimited credit.

But the proposition of debt settlement taken in the aggregate means substantially to deprive us of ten thousand millions of dollars, of credits which ought to be ours to-day and of which we ought to be able to avail ourselves in wiping out the debt. Extend that over a period of 62 years of time? It is a ridiculous proposition. A promise to pay a thousand dollars at the end of a thousand years is not worth the paper and the ink for the writing of the obligation. A promise to pay a thousand dollars at the end of 100 years—I am speaking of it without interest—is not worth the paper and the ink to write it. If money is worth 6 per cent in the market, a promise to pay $1,000 one year from date is worth $940 without interest; a promise to pay $1,000 two years from date without interest is worth $880; a promise to pay $1,000 three years from date without interest is worth $820; a promise to pay $1,000 five years from date without interest is worth $700; and I have not counted in this estimate compound interest upon the interest which ought to be paid. A promise to pay a debt 62 years from now without an adequate rate of interest running with it is cancellation—that is all, plain cancellation. That is what we are doing to-day, canceling European debts, not entirely, but practically, I think, we are doing much more than the figures show. Sixty-two years from now where will these countries be? They may exist as they now exist; they may have been overrun and conquered, or they may have been dissolved in the mutations of time. It was Byron who wrote:

> A king sat on the rocky brow
> Which looks o'er sea-born Salamis;
> And ships, by thousands, lay below,
> And men in nations—all were his!
> He counted them at break of day—
> And when the sun set, where were they?

England is wiser in her day and generation than the children of light.

England proposes to get some money while somebody who is now on earth is yet alive, and she wants her payments in substantial sums from the first; but we will take ours when the dead dust to which we shall be dissolved will have brought forth the flowers and the grasses of forgotten cemeteries. We will get ours, in part, when nearly a century of time has rolled away; when some of the nations will have been dissolved; when wars again shall have destroyed the earth and decimated the ranks of peoples; when financial and social and political revolutions have wrought their glories or brought their wrack and ruin. When they begin to pay substantial sums, my friend who is putting over this deal I trust will be looking down from the bosom of Abraham, for I know he will not be on this earth. Probably he will then be sorry that he ever asked them to pay anything at all, and will look with great

delight on the toil and labor of his own people who wrought and moiled to gain the money he voted to give to the subjects of Italy. When these payments begin to mature on the Italian debt settlement at the rate of $20 on $1,000, it will be, I think, 56 years from now. By that time the great-grandchildren of the Senator from Utah will be pointing back with pride to the fact that their great-great-granddaddy put this Italian settlement over, sitting silent and refusing to defend it or to furnish any information.

Mr. SMOOT. Mr. President, I desire to say that in the beginning of the discussion of these debt settlements I consumed nearly a full day of the time of the Senate in explaining them, but the Senator from Missouri was not then here.

Mr. REED of Missouri. I know the Senator from Utah spoke, but we got no information from him.

Mr. SMOOT. Certainly the Senator from Missouri has not been giving the Senate any information.

Mr. REED of Missouri. I am giving the Senator from Utah food for thought. Whether he can absorb and digest it or not is quite another question. I think he can; I think he can understand me, but "Ephraim is joined to idols; let him alone."

Mr. CARAWAY. I think the Senator from Utah is very hard on the idols.

Mr. REED of Missouri. My good friend from Utah is delightful company in any place. I do not know by what seductive flatteries these foreign gentlemen obtained his ear and suborned his judgment. I am quite sure that he is perfectly sincere, but I do not want him to write my financial policies any more than I would want him to write my policies in many other respects. He has his methods of thought and I have mine; but God save America from men who think in terms of Europeans when they are settling with Europeans.

Is it said that Belgium can not pay this debt? Belgium before the war was one of the wealthiest spots on the earth. She had money loaned all over the United States; she had capital in abundance. She has a people of wonderful industry, who are not afraid to work. Show me a hundred Belgians and I will show you 99 men who are willing to work, to toil, to labor, to save. Is there any pretense that Belgium in a reasonable length of time could not pay this debt? If there is such a pretense, it is a false pretense; it can not be sustained in fact. I have not the slightest doubt in the world that in 10 years' time we shall be selling bonds of American corporations in Belgium to Belgian investors, as we were before the World War. I have not the slightest doubt that every representative of every big bank in this Congress and out of it has heard from his bank and been told how to vote.

Mr. BRUCE. Mr. President, if the Senator from Missouri will allow me to interrupt him, I desire to say in that connection that I have never in my life received one solitary communication asking me to vote one way or the other with reference to these debt settlement measures.

Mr. REED of Missouri. I never said that the Senator from Maryland was the representative of any great bank.

Mr. BRUCE. No; the Senator did not, and he might have added nor of any small bank; but that is a fact. When the Senator says that every Member of Congress has been approached by the representative of some banking concern——

Mr. REED of Missouri. I did not say that.

Mr. BRUCE. That is what I understood the Senator to say.

Mr. REED of Missouri. No; I did not say that. The Senator from Maryland misunderstood me. I said that the representative of every great bank has heard from his bank. The Senator from Maryland does not represent any bank. I acquit the Senator. He is a man who has views upon these international questions that are radically different from mine; but I never challenged his honor or integrity in my life, and I do not expect ever to do so.

Mr. BRUCE. No; the Senator never has done so; and I am glad to say that I am proud to know that I have the good will and respect of the Senator from Missouri.

Mr. REED of Missouri. I did not mean by any insinuation to charge that anybody has been approached in any way that we would call improper; but I do mean to say that the big banks and trust companies of this country, to use the vernacular, have been in this game from the first. I know one of their representatives in the city of St. Louis made a trip to New York and came back in favor of the cancellation of our foreign debts. The same gentleman has been actively advocating these debt settlements and is in very close alliance with the Morgan Co. I do not deny the right of any bank to write to any Member of the Senate, just as I would not deny that right to any other man in the country, but I say that the big banking interests that are allied with the great financial concerns that are engaged in the exploitation of Europe have been active in the interest of this legislation.

You can put this over; you have the votes. All I can do is to stand with those who agree with me and protest. All the American people can do is to utter their protest, but unfortunately they can not speak until you have consummated this bargain, and, when once consummated, it can not be rescinded, for America will not do as other nations have done—make a contract and then come back and ask to rewrite it seven or eight years afterwards.

Let me ask when these nations question our right to insist upon payment, what did their representatives mean when they went to the Treasury Department of this Government and said, "We need $500,000,000 this month; we have not time to write a formal bond; but you write an agreement that we will repay the amount at 5 per cent," and they signed that instrument and certified in substance and effect, "I hereby affirm that I signed this instrument by the authority of my government"? What did they mean? Did they mean any less or any more than will be meant when they sign this new agreement? Why did they come and sign that agreement if they did not intend to keep it?

Then, acting upon the sanctity of that agreement, upon the pledged faith of great and puissant nations, on the honor not of the government itself, but of all the people of the respective States, the Secretary of the Treasury went down to the vaults and took out the money that the American taxpayer had put there—part of his labor, part of his toil, part of his sweat, part of the very agonies of his soul. He turned that money over to the representatives of foreign governments on the strength of the obligations which they had delivered. What did they mean when they did that, and what do they mean now when they say that America is hard on them for asking them to do the thing they agreed to do?

They had their option. They could take the money and agree to pay it back, or they could leave the money alone and make no agreement. They came forward and said, "Upon our honor as a nation we promise to repay this money." Now they redeem that honor by repudiation, and the only interest they pay in full is the interest of hatred and malediction and abuse.

Why, sirs, if we never collected a dollar I would stand here, if I had the control of this matter, and say to them, "Until you admit the sanctity of this obligation, we will deal with you in no respect except to demand payment. When you come here honorably and ask for some reasonable extension of time we will give it to you, we will give to you on as good terms as those which we obtained when we borrowed the money in order to loan it to you; but any other agreement is unthinkable and impossible and will not be entertained."

If I incur their ill will for asking them to do that which they had promised to do, I would take that ill will and I would get it in no greater measure than we will get it anyway.

You can not buy the good will of these people. Although no cause had existed for our entering the war until a few days before we did enter, they have not ceased to heap imprecations upon us because we did not come into the war just when they did, when they were settling their quarrels. You can not satisfy them, sir. If you were to give them this debt to-morrow, I think some of them would say we ought to pay an indemnity upon all of their dead because not so many of our soldiers died as theirs. You can organize in this country and raise vast sums of money and send over there to rebuild their cities, to level the trenches, to replant the crops, and you can embrace them and weep upon their necks, and when you leave their shores they will be denouncing you for not having come sooner or given more.

The thing for America to have done in this matter was to have taken the manly stand that a great nation ought to have taken: "We made a bargain. Come forward and keep your side of this bargain, or stand before the world convicted of bad faith; stand before the world as a repudiationist; stand before the world as a dishonest debtor who denies his note of hand; stand before the world as stands the wretch who stops payment upon the check he has issued, on which check he had received cash from his neighbor; stand before the world as you are, forsworn, with honor stained, with your escutcheon blotted, with your character gone; and then we will deal with the question as the circumstances of the case may demand." But we are in a different atmosphere.

> Against the insidious wiles of foreign influence (I conjure you to believe me, fellow citizens), the jealousy of a free people ought to be constantly awake.

That is the language of George Washington; but if George Washington were President of the United States to-day he would have to get rid of his Secretary of the Treasury if he had the one that is there now, for against the insidious wiles of

foreign influence he has not been constantly awake; but plus the insidious wiles of foreign influence are the insidious wiles of American capitalists who want to exploit foreign nations for their profit and their emolument.

Mr. President, that is all I care to say this afternoon. We can not appeal from Philip drunk to Philip sober, but we can appeal from the United States Senate to the American people.

Mr. HOWELL. Mr. President, I hold in my hand a statement from the Treasury Department affording the balance standing against Belgium on the Treasury books on the 15th day of June, 1925. It amounts to $483,426,379.27. This was the balance presented to the delegates from Belgium when they visited this country for the purpose of negotiating a settlement of their debt.

I do not know what took place in conference, but I do know that the first thing that was settled was the amount of an initial cancellation requested by Belgium. The United States Debt Commission agreed to an initial cancellation, and the amount thereof in round numbers is $65,629,000, or 13.6 per cent of the entire debt. That was the first step taken in this conference, as it would appear from the documents that have been afforded by the Treasury Department.

Then it was agreed that Belgium should make a cash payment, and that cash payment was $17,000, in round numbers. The remainder of the debt, $417,780,000, is the amount that our Foreign Debt Commission has stated to the country as the amount of the debt of Belgium. What Belgium owed us at that time was the balance on the Treasury books, $483,426,000, not the amount after deducting the initial cancellation which was agreed to by our Debt Commission.

Having proceeded thus far, it is urged that because of President Wilson's promise while in Paris that he would recommend that Belgium should pay nothing in the way of interest upon the pre-war debt, we should recognize that promise; but I call the attention of the Senate to the fact that there were a number of promises of recommendations made by President Wilson when in Paris that the Senate did not see fit to regard with any such sacredness.

That we may clearly understand the situation, I wish to say that having reached this point in the agreement they then proceeded to determine the payments to be made by Belgium, and the rates of interest. Some time ago I asked that the Treasury Department afford me the present value of all the payments to be made by Belgium on a 4¼ per cent basis. From that present worth I proceeded to determine what annuity that present worth would buy on a basis of 4¼ per cent interest. Understand, these are all the payments that Belgium is to make. We find that the annuity that such present worth would purchase is $10,350,000.

In other words, all of the payments which Belgium has agreed to make over the period of 62 years are equal and equivalent to an annuity—assuming money to be worth 4¼ per cent—that is, an annual payment every year for 62 years of but $10,350,000. That is all we are to get. We are not to be paid another dollar. But Belgium's debt as per the Treasury books on the 15th day of June, 1925, was $483,426,000. What interest will this annual payment, this annuity, pay upon this debt? Two and one-tenth per cent; or, to be absolutely accurate—that is, to the nearest hundredth—it is 2.14 per cent.

That is all that Belgium is to pay upon the balance carried on the Treasury books—$483,426,000. She is to pay that for 62 years and then Belgium's debt is canceled. She is relieved of all further liability.

In short, Mr. President, this means not merely that this debt of nearly $500,000,000 is to be canceled. Our people are not only to make that sacrifice, but we are to pay 4¼ per cent upon this debt while Belgium merely pays us 2.1 per cent on the debt.

Four and a quarter per cent annually upon Belgium's debt amounts to $20,546,000. Belgium will pay us $10,350,000 per annum and nothing more. Therefore we must make up the difference between this $20,546,000 and $10,350,000, which is in the neighborhood of $10,000,000 per annum. Therefore for the next 62 years, on a 4¼ per cent basis, we are cancelling Belgium's debt and paying $10,000,000 in an interest deficit every year.

That is the settlement proposed with Belgium. When we consider this settlement in connection with the nation at large, we seem inclined to lose our perspective. There is only one way in which every Senator can realize what this settlement means to his home folks, and that is by considering the loss which this settlement entails upon each State of the Union. When we do that, let each Senator ask himself what he thinks about the factor of sentiment, and its effect upon his people, when it is brought right home to them in dollars and cents.

During the Italian debt settlement debate the junior Senator from Pennsylvania [Mr. REED] expressed a very optimistic view of the future financial operations of the Government. He said he believed we would soon enjoy a rate of interest of 3 per cent upon our Government securities. I do not know that he said soon, but he thought that ultimately we would enjoy a rate of 3 per cent upon our securities; that whereas we are paying 4¼ per cent now, yet some time in the future we possibly would have to pay only 3 per cent. I shall accept that suggestion from the junior Senator from Pennsylvania in connection with some figures which I will now afford.

We can not count on 3 per cent interest in connection with these debts for something over eight years, because the average time which some $8,000,000,000 of our 4¼ per cent bonds will run is in the neighborhood of eight and one-third years. In other words, the Government has not the privilege of refunding these bonds prior to that time, unless the Government goes into the open market and purchases the bonds as an individual would purchase them. Therefore it must be evident that for the next eight years, at least, we must pay 4¼ per cent upon our money, and that is what it will cost in connection with these debts during that period.

If we determine what the interest at 4¼ per cent, less what Belgium pays us, will amount to, compounded for the next eight years, and then assume that our money will cost us but 3 per cent for the remaining 54 years, and calculate our present worth on that basis—let us put the best face on this situation—and what is the result? The loss by this settlement to the American people, without considering interest at all, will be about $767,000,000. With interest, only 4¼ per cent for eight years and 3 per cent thereafter, it will amount to something less than $1,000,000,000.

This is not merely an academic consideration of this matter. If we were not compelled to pay this deficit in interest, if Belgium paid as Belgium promised to pay, we could use that $10,000,000 of interest deficit and buy our own 4½ per cent bonds, or, at a later time, invest it in our 3 per cent bonds, and we would have the equivalent of compound interest upon those interest increments.

As I have pointed out previously upon the floor of the Senate, insurance companies throughout this country guarantee annuities and life policies on the basis of 3½ per cent, compounded semiannually, not annually; and I am talking about compounding annually.

We have indulged so much in talk about hundreds of millions and billions that it does not convey a proper notion of what this means, but I have apportioned this loss among the States, and I propose now to read the statement I have in hand. With interest the loss would be as follows:

Alabama must ultimately lose $22,500,000 on account of this settlement alone. Arizona will lose three and a half million. Arkansas will lose $17,000,000. California will lose $33,000,000; Colorado, $9,000,000; Connecticut, $13,300,000; Delaware, $2,100,000; the District of Columbia, $4,200,000.

Mr. SHORTRIDGE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. BINGHAM in the chair). Does the Senator from Nebraska yield to the Senator from California?

Mr. HOWELL. I yield.

Mr. SHORTRIDGE. How much will California lose by this settlement?

Mr. HOWELL. California will lose $33,000,000 on account of this settlement.

Mr. GILLETT. Mr. President, will the Senator yield?

Mr. HOWELL. I yield.

Mr. GILLETT. As I understand the Senator, all the States will lose about a billion dollars by this settlement?

Mr. HOWELL. Yes.

Mr. GILLETT. I understand the debt of Belgium to be $500,000,000. If we canceled that whole debt and gave it up, our outside loss would be $500,000,000. Yet by the Senator's ingenuous calculation, by collecting $500,000,000 we are going to lose more than twice that amount. Why would it not be better to cancel the debt entirely and thereby save $500,000,000?

Mr. HOWELL. Mr. President, the junior Senator from Massachusetts has fallen into the error of the Debt Commission. He does not realize, or appreciate, apparently, the fact that to-day we are paying $800,000,000 of interest every year; that we would be relieved of over half of that interest if these nations paid the interest on what they owe us. They are going to pay only part of the interest, and then the total of their debts is to be canceled. That is what I am talking about now. The great trouble that has afflicted the Senate is that many Senators apparently do not appreciate the difference between principal and interest. On a 62-year debt interest is the all-important factor. The principal amounts to little.

Mr. SHORTRIDGE and Mr. EDGE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield, and if so, to whom?

Mr. HOWELL. I yield to the Senator from California.

Mr. SHORTRIDGE. Personally, I appreciate the difference between principal and interest, because I have been paying interest about all my life. But are we not to receive ultimately, in some way, at some time, 100 per cent of the amount agreed upon?

Mr. HOWELL. I will state to the Senator, and it will not be contradicted by an official of the Treasury Department, that the annuity equivalent to the total payments of Belgium amount to but $10,000,000 on a 4¼ per cent basis.

Mr. SHORTRIDGE. That is beyond my power of following. They owe us, as of the 15th of June, 1925, a certain sum of money. I believe that is agreed upon. That country has agreed to pay that amount at some time. Is not that so?

Mr. HOWELL. They agree to pay a certain amount every year.

Mr. SHORTRIDGE. They agreed to pay us the principal and a certain amount of interest from time to time. Is not that true?

Mr. HOWELL. They have agreed to pay us not one cent of interest on $171,000,000.

Mr. SHORTRIDGE. I am not talking about that item.

Mr. HOWELL. The Senator is talking about this debt, is he not?

Mr. SHORTRIDGE. They have agreed to pay us the principal and they have agreed to pay us a certain amount of interest.

Mr. HOWELL. They have not agreed to pay any interest whatever on $171,000,000.

Mr. SHORTRIDGE. How much do they owe us now, as of June 15, 1925, if I may ask the Senator?

Mr. HOWELL. They owe us about $483,000,000, according to the Treasury balance.

Mr. SHORTRIDGE. They have agreed to pay us that amount, have they not?

Mr. HOWELL. No, indeed; they have not. That is the trouble.

Mr. SHORTRIDGE. How much are they going to pay us?

Mr. HOWELL. They are going to pay us $10,000,000 a year for 62 years, and that is all.

Mr. SHORTRIDGE. How much will that amount to?

Mr. HOWELL. That is about $620,000,000 without interest. The Senator can figure the interest.

Mr. SHORTRIDGE. That would include, then, the amount presently due, plus something which I call interest. Is not that correct?

Mr. HOWELL. We are paying 4¼ per cent interest now on the $483,000,000, and that amounts to over $20,000,000 a year. All the payments that Belgium will ever make to us amount to but $10,000,000 a year and leave us holding the sack for $10,000,000 a year in interest and the $483,000,000 is to be canceled.

Mr. SHORTRIDGE. Then she does pay some interest.

Mr. HOWELL. She only pays $10,000,000 a year, and then the debt is canceled.

Mr. SHORTRIDGE. When the principal is paid, I suppose the debt will be canceled.

Mr. HOWELL. But the principal is never to be paid under this agreement.

Mr. SHORTRIDGE. Call it interest or call it principal, we get some money from Belgium, do we not?

Mr. HOWELL. We get $10,000,000 a year, and it only amounts to 2.1 per cent interest on the face of the debt, and at the end of the time the debt is canceled.

Mr. SHORTRIDGE. I do not care whether the Senator calls it principal or interest or annuity or any other name that his vocabulary may furnish, we get some money from Belgium.

Mr. HOWELL. But the trouble is that we get so little. That is our trouble.

Mr. SHORTRIDGE. To me it is a very colossal sum.

Mr. HOWELL. It is a colossal sum, but what does the Senator think about the sum she owes us?

Mr. SHORTRIDGE. Of course, she owes us a vast sum of money, and she is going to pay us the principal plus some interest.

Mr. HOWELL. But, as a fact, after she gets done paying California will have paid $33,000,000 on the basis of population.

Mr. SHORTRIDGE. It will be over my dead body if she does. [Laughter.]

Mr. HOWELL. Then I will say to the Senator from California that he might save his body by voting against the agreement which is now before the Senate.

Mr. SHORTRIDGE. California can pay that amount and never know she has done it.

Mr. HOWELL. I realize there is a sentiment, which seems to be very general in the Senate, that we can afford to be, as I have said once before, a Santa Claus to Europe. But so far as my State is concerned, we are meeting the hard problems that confront the agricultural industry, and now I want to state what Nebraska's loss will be. The Senator from California may sneer at a loss of $33,000,000 for his State, but I will say that the loss to the State of Nebraska is important; it will be $12,500,000, and that is a great deal to our farmers.

Mr. EDGE. Mr. President, will the Senator yield at that point?

Mr. HOWELL. Certainly.

Mr. EDGE. I am sure the Senator does not want to mislead with his figures; but upon what basis does he proceed to substantiate a claim that the total amount will approximate $2,000,000,000, considering the difference between the interest we receive and the 4¼ per cent, assuming, as he must if I follow his figures, that the American interest at 4¼ per cent will last for 62 years. Everyone knows that the indebtedness will be paid many years before that. I understand the Senator's table is predicated on that basis. Is not that true?

Mr. HOWELL. I want to ask the Senator from New Jersey this question.

Mr. EDGE. I would first like to have my question answered. Is the Senator's table predicated on the assumption that the 4¼ per cent interest will be paid for 62 years or otherwise?

Mr. HOWELL. My assumption is that we will pay 4¼ per cent interest upon our money, as we now are paying, for the next eight years, and after that I accept the optimistic predictions of the junior Senator from Pennsylvania [Mr. REED] that we will pay only 3 per cent.

Mr. EDGE. The Senator is figuring that we will be paying 4¼ or 3 per cent interest for 62 years, is he not?

Mr. HOWELL. I do not believe we will have our war debt paid off at the end of 62 years.

Mr. EDGE. That is a matter of opinion. I disagree absolutely with the Senator.

Mr. HOWELL. I want to ask the Senator from New Jersey this question. If he goes to a bank and borrows $10,000 for a friend at 6 per cent interest and then he is not repaid the $10,000, but he has to keep on paying the interest, does he think his loss terminates when he pays the principal to the bank? That is the absurdity of the argument. This money is gone forever. If you had it and could invest it, you would have a return upon the money. Such possible return would be part of the loss.

Mr. EDGE. The Senator evades the direct question. I do not like to use the word "evade," but he gives figures which he assumes will receive a great deal of attention and consideration throughout the country. He made the statement that we will lose $10,000,000,000 on the settlement of our debt from Italy of $2,000,000,000, and now he makes the statement that we will lose $2,000,000,000 in the settlement of a debt of only $400,000,000 or $500,000,000. He knows perfectly well as a financier and business man that such an assumption is not warranted by the facts. It is not fair to the country to have any such figures published without a definite protest.

Mr. BORAH. Mr. President, may I ask the Senator from New Jersey a question before he sits down?

Mr. HOWELL. I yield for that purpose.

Mr. BORAH. The Senator assumes that we will pay the present debt of $20,000,000,000 or $21,000,000,000 in 62 years. Has the Senator ever calculated how long it would take to pay the debt if we pay at the same rate we have paid the Civil War debt?

Mr. EDGE. No; but if we were to pay it at the rate we are paying now it would not be far from 40 years, certainly, and probably very much less than that.

Mr. BORAH. Suppose we pay at twice the rate we paid the Civil War debt; it would take us over 200 years to pay it.

Mr. EDGE. Why go back to the Civil War? We are living in the year 1926.

Mr. BORAH. Exactly; but we were living in the year 1914, before the World War came, and we were paying off the Civil War debt at that time, in a period of tremendous prosperity, at a rate which, if we pay at the same rate in the future, will take 200 years to pay.

Mr. EDGE. The Senator is going back 65 years.

Mr. BORAH. I am speaking of 1914, at the rate at which we will pay that debt.

Mr. SMOOT. The Senator knows that the Civil War debt would have been paid years and years ago if it had not been for the basis of issuing currency by the Federal national banks. It is not because we could not have paid it off a quarter of a century or 30 years ago.

Mr. BORAH. Yes; and the influences which kept it there as a basis of issue were, in my opinion, purely selfish interests. The whole system should have been an entirely different proposition, but no one knows what influence will be at work to maintain this debt for the next hundred years.

Mr. EDGE. No one has any right to assume, at least not based on financial or economical fact, that we can not meet this debt in the years to come as well as we have been meeting it in the last year or two.

Mr. BORAH. If we take into consideration the manner in which we paid the debt, the means by which we paid it for the last year or two, and if we can keep it up at the same rate, of course, we would; but we are not going to pay at that rate for the reason that the means which we use, the proceeds which we derive from the sale of property, and so forth, salvage of war, will not be here to use.

Mr. EDGE. One prophecy is as good as another when we deal with the future, so I venture to prophesy that this debt will be entirely discharged before 25 years.

Mr. FESS. Mr. President, will the Senator yield for an interruption?

Mr. HOWELL. Certainly.

Mr. FESS. In the last report of the Secretary of the Treasury, commenting upon the suggestion of deferring the public debt for 62 years, the Secretary of the Treasury said:

> At the present rate of payment, as provided by the sinking fund, the so-called domestic debt, representing money spent by America in the war and amounting at the present time to $8,712,700,000, will be discharged by 1944. The interest to be paid during the intervening period will be $4,042,000,000, which with the principal of $8,712,700,000 will make a total payment of $12,754,700,000 to be made in the next 18½ years.

So that instead of 62 years it is expected it will be discharged in 18 years.

Mr. EDGE. Yet we are receiving a comparison with 62 years.

Mr. BORAH. Mr. President, will the Senator from Ohio give us the items which went into the payment of the amount which we paid upon the national debt in 1921, 1922, 1923, and 1924?

Mr. FESS. One very prominent item was resources from war material which was sold. Another was liquidation of some of the war agencies, like the Grain Commission and the War Finance Commission; but this is on the basis of our present year when we have not had those resources. Those resources have all been dried up. This is now based on customs duties and income taxes and the ordinary taxes. I am rather of the opinion that this statement is correct, and that we will pay the domestic debt off in less than 20 years unless we change our method.

Mr. SMOOT. We have a sinking fund, and an amount for that is compelled to be set aside every year.

Mr. REED of Pennsylvania. In the last 10 months we have retired over $600,000,000 of the public debt, and our receipts during that period from sales of surplus property have been only $17,000,000.

Mr. BORAH. It does not make any difference, as a matter of fact, whether we pay the debt in 20 years or 40 years. There is a debt of $21,000,000,000 to pay. We may tax ourselves to raise revenue and to pay it more readily, but it is there to be paid in some way.

Mr. HOWELL. Mr. President, I desire to call the attention of the Senator from New Jersey to this difference in transactions. If I loan $10,000 and lose it, it is gone. If I take that $10,000 and buy $10,000 worth of Government bonds, I am getting that interest every year. The Senator suggests that after we pay the deficit in interest and it is gone, then we are through with our loss; but if we did not have to pay the deficit we could buy bonds with the money and then we would have a profit. He does not consider the distinction. He insists that when we have paid off the debt then there is no longer any loss, although the transaction may not be closed. If we did not have to pay the debt, we could have used the money; had it out at interest.

Mr. EDGE. The Senator from New Jersey does not say anything of the kind and does not propose to permit the Senator from Nebraska to so quote him. The Senator from New Jersey, I think, quite properly questioned the accuracy of the statement of the Senator from Nebraska when he attempted by his own admission to figure out the loss from interest on the difference between interest paid by our Government on Liberty bonds at 4¼ per cent and the interest received on this settlement and other settlements based on a period of 62 years. If the Senator wants to revise his statement and place the facts in the RECORD based on the settlement of our debt in a reasonable time, which generally is admitted will be done, I have no objection to his statement. It will show a great disparity or difference between the two. There is no doubt about that. No one questions that. But why not do it fairly? Why do it for a period when the Senator very well knows it is not accurate?

Mr. HOWELL. I understood the Senator to suggest that in the neighborhood of 40 years we would pay our debt.

Mr. EDGE. Perhaps less.

Mr. HOWELL. Very well, but the Senator suggested 40 years.

Mr. EDGE. I will admit I am only making a prophesy based upon the best facts at hand. We will probably settle it in very much less than 40 years; I think about 25 years; and if the Senator wants to figure on that basis he will be more nearly accurate.

Mr. HOWELL. I happen to have this calculated on the basis that we pay off the debt in 43 years. I thought probably the question would be raised that we would pay our debt off earlier than 62 years. If we pay our debt in 43 years, our loss on the basis of 4¼ per cent is $1,546,000,000, and all I am talking about here now is an approximate $1,000,000,000 loss. I did not assume 4¼ per cent. I am accepting 3 per cent for 54 years. I am adopting a lower basis. I have taken the most optimistic prophesy that has been offered upon the floor of the Senate respecting our financial transactions in the future. On that basis our loss will be about $1,000,000,000. But if the Senator wants to talk about 43 years for the payment of this debt and 4¼ per cent interest, it will then cost us $1,500,000,000.

Mr. President, it is not necessary to exaggerate, because these sums are so tremendous, the interest we must pay is so enormous, that they are almost staggering. Do Senators realize that at 4¼ per cent, if we could not retire our bonds and they should run for 62 years, our interest charges alone on our debt would amount to $50,000,000,000; and that, if we assume that we gradually pay off that debt so that nothing is owed at the end of the 62 years, our interest charge alone on such a basis will be $25,000,000,000?

The trouble is Senators have not faced the interest question. The British statesmen who came here as members of the commission knew all about it. They knew the fact that on a dollar, at 4¼ per cent interest for 62 years, the interest would amount to nineteen times the principal. They had digested that fact; and every time the members of our commission put forth a proposition they knew exactly what it meant.

Mr. SMOOT. So did the Debt Commission know what it meant.

Mr. HOWELL. The British statesmen fully understood it, and they took advantage of their knowledge. As I have said before, I do not believe the Debt Commission ever knew that their settlement with Italy meant the payment of but 1.1 per cent interest by Italy and cancellation of the principal at the end of that time.

Mr. FESS. Mr. President, will the Senator from Nebraska yield to a specific question in the form of an illustration?

Mr. HOWELL. I yield.

Mr. FESS. Suppose that I borrowed from the Senator from Nebraska $100 to be paid in five years; and the Senator knew my circumstances and tore up the note and did not collect a penny; would he lose a hundred dollars or would he lose a hundred dollars and the interest for five years?

Mr. HOWELL. I would lose $100 by the Senator not paying the principal of the note, but if I had invested that $100 in United States bonds I would have received between $4 and $5 per year for an indefinite period of time.

Mr. FESS. So the Senator's loss would be the $100 that I borrowed with interest for five years? That is the Senator's suggestion?

Mr. HOWELL. Absolutely; and particularly so if I borrowed that money at the bank and had to pay interest every time the interest date came around.

Mr. FESS. That puts an appreciation upon me that I did not myself have.

Mr. NORRIS. Mr. President——

Mr. HOWELL. I yield to my colleague.

Mr. NORRIS. Might I suggest to my colleague that the question put by the Senator from Ohio [Mr. FESS] does not quite, as an illustration, meet, as he said it would, the conditions confronting the country in this debt settlement? The Senator from Ohio should have stated that if the Senator from Nebraska had loaned him $100, and the Senator from Nebraska himself had to borrow the money at 4¼ per cent in order to loan it to the Senator from Ohio, then if the Senator from

Ohio had never paid anything to the Senator from Nebraska the loss of my colleague would not only have been the principal but the interest which he had paid.

Mr. HOWELL. Absolutely, and that is just the situation of the American Government that borrowed the money which was loaned to Belgium. If Belgium does not pay the interest the American people must pay it. Belgium does not pay all the interest; she only pays half of it; and at the end of 62 years we cancel the debt.

Mr. FESS. What does the junior Senator from Nebraska mean by canceling the debt? When they pay $5,000,000, for example, on the principal the first year, that portion of the principal is canceled, and the second year another portion is canceled, and the third year a third portion is canceled, and the last year the total principal is canceled.

Mr. HOWELL. Mr. President, there is only one way to analyze the meaning of this debt settlement. That is to take the total payments, principal and interest, determine their present worth, and then determine what annuity that present worth would buy at prevailing money rates. That is the only way one can analyze and understand clearly the meaning of a debt settlement where the amounts paid each year and the interest rates vary.

One can not appreciate the meaning of this settlement by mere inspection. It is necessary to reduce the payments to a common denominator in order to convey a proper idea to the mind. That is exactly what I have done. Belgium's total payments, interest and principal, is equivalent only to an annuity of about $10,000,000 a year. After Belgium has paid the $10,000,000 a year for 62 years she is through; the debt is canceled.

Mr. FESS. But she will have paid the principal.

Mr. HOWELL. The Senator says she will have paid the principal; but in the meantime we are paying $20,000,000 a year interest on our bonds outstanding from which we obtained the money we loaned to Belgium. If Belgium does not pay us enough to pay that interest and then pay off the bonds, we must make up the difference. She says, "On every million dollars of my debt I will pay you $21,400 a year."

Mr. BORAH. Mr. President, may I give the Senator from Ohio an illustration by referring to an incident which I know actually to have occurred in my State? A man whose personal credit was very good at the bank had a friend who owned a farm. The man on the farm wanted to borrow money to the amount of $12,000 on the farm. The man from whom he desired to borrow the money went to the bank and borrowed $12,000 and agreed to pay interest thereon at the rate of 6 per cent. He loaned it to his friend on the farm, who never paid any principal nor any interest, but the man who had borrowed from the bank had to pay interest for three years at the rate of 6 per cent and had to pay the principal also.

Of course, if the borrower had agreed to pay the lender the principal at the end of three years, and had paid it, the lender would have been in the position in which we now are, but in the meantime he would have been out entirely 6 per cent interest upon $12,000 for the three years. So it would not have been sufficient, so far as he was concerned, to say that he got his principal back, for he was losing 6 per cent interest for three years, in spite of the fact that the man paid back the principal. That is precisely what is happening here. We are losing the interest, notwithstanding the fact that in 62 years the borrower will have paid back the principal.

Mr. HOWELL. Mr. President, some years ago Congress passed an act creating our Debt Commission, and it provided that the Debt Commission should be authorized to settle our foreign debts on a basis of not less than 4¼ per cent interest. We may infer, then, that when our debt commissioners discussed this matter with the Belgian representatives they stated, "We are directed to secure for each $1,000,000 of your debt $42,500 a year interest, and then at the end of a period to be determined you are to pay $1,000,000." What was Belgium's reply ultimately? Belgium replied, "All I will pay you is $21,400 per million for 62 years, and then I will not pay a dollar of the million dollars." That is what she said, and that is the basis on which the settlement was made. This can not be denied. It is the basis upon which this debt has been settled, and our people must foot the bill. We can deal in sentiment here, but the people ultimately are going to deal with the cold facts.

Now, Mr. President, I will continue with the roll of the States and indicate the loss of each. The ultimate loss of Florida alone will be about $9,400,000 on account of this debt settlement with Belgium. The loss of Georgia will be $27,800,000.

Mr. TRAMMELL. Mr. President, will the Senator yield?

Mr. HOWELL. Certainly.

Mr. TRAMMELL. Did the Senator ascertain the loss of Florida based upon the income-tax revenues of the Federal Government from the State of Florida?

Mr. HOWELL. I have not based it upon the income derived by the Federal Government from the respective States but upon population.

Mr. TRAMMELL. I was just going to observe that if the Senator bases his computation upon the revenue collected in the State of Florida, the income-tax revenue increased last year to $30,000,000 while the year previous it was only $15,000,000. So the most recent contribution to the Federal Government by Florida was 100 per cent more last year than during the previous year.

Mr. HOWELL. I realize that some of the Eastern States would show a much greater loss if the computation were based on revenue paid to the Federal Government instead of on population, but I have adopted the basis of population, as it gives some notion of what this loss means to each State.

Mr. TRAMMELL. Upon that basis the loss of the State of Florida would undoubtedly be very largely increased.

Mr. SHORTRIDGE. Mr. President, will the Senator yield in order that I may ask him a question?

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from California?

Mr. HOWELL. Certainly.

Mr. SHORTRIDGE. Perhaps the question has been asked, but, if so, I did not hear your reply. I was about to ask the Senator how he reached the conclusion that California, for example, will lose such and such a sum or be obliged to pay a given sum. I did not hear his statement as to California.

Mr. HOWELL. I am pleased to make the statement again.

Mr. SHORTRIDGE. We are growing so rapidly in population that it is difficult from day to day to arrive at an exact figure.

Mr. HOWELL. I base the computation on the population figures of the 1920 census.

Mr. SHORTRIDGE. California has probably increased fully a million and a half in population since 1920.

Mr. HOWELL. Then the loss of California will be very much greater.

Mr. SHORTRIDGE. We will be bankrupt pretty soon at that rate, I am afraid; but I am not affrighted by the Senator's theory or prophecy.

Mr. HOWELL. I understood the Senator did not think that $33,000,000 amounted to much for California.

Mr. SHORTRIDGE. It does not amount to much for California.

Mr. HOWELL. It would for my State.

Mr. SHORTRIDGE. I can well imagine that Nebraska would be bankrupt by the loss of such a sum, but my immediate question, in all candor, is, what is the basis or the method of figuring which brings the Senator to the conclusion that Nebraska or New York or California will lose so much money? I understand the Senator to say he has based his figures on population.

Mr. HOWELL. My basis of calculation is this: There is a deficit in interest on a 4¼ per cent basis of about $10,000,000 a year. I have assumed that that deficit will continue for eight and one-third years because, under the terms of our 4¼ per cent war bonds, something like eight or ten billion dollars of bonds will run for a period of about eight and a third years. Therefore, I have assumed that we would at least pay 4¼ per cent interest for the next eight years. In a very optimistic spirit, as I have said before, the junior Senator from Pennsylvania [Mr. REED] prophesied that at some time we will be able to get money at 3 per cent. Therefore, I have assumed that we will have 3 per cent money after eight years. I think it is a violent assumption, but I adopted it.

Mr. SHORTRIDGE. Uncle Sam has the best credit in the world.

Mr. HOWELL. We have the best credit in the world, but the fact is that for the last four years the average rate of interest paid upon our bonds was about 4.4 per cent.

Mr. SHORTRIDGE. But we have refunded at much less than that.

Mr. HOWELL. We have refunded, but, in spite of refunding, I think on the 1st of January the average rate of interest was about 4.18 per cent. So I think if we ever get down to 3 per cent it will be a good many years hence and it will be under very favorable conditions. A situation might arise such that we might have to pay a great deal more.

Mr. SHORTRIDGE. Not if the Republican Party continues in control of the Government.

Mr. HOWELL. Even if the Republican Party shall remain in control of the Government, I am not so optimistic as to believe that we can avoid all the contingencies that may confront nations; so there is a possibility of that character; but, putting the very best face on this matter, then, a computation will indicate that, on the basis of 4¼ per cent interest for the first eight years and 3 per cent thereafter, our loss under this settlement will amount to about $1,000,000,000.

Mr. SHORTRIDGE. And according to the population of States.

Mr. HOWELL. Now, then, distribute this billion of dollars according to population, and we arrive at the figures I have quoted.

Mr. SHORTRIDGE. It is a mere—well, I will not comment upon the Senator's method of calculation.

Mr. HOWELL. I wish to say, Mr. President, that I do not claim that this is more than another point of view upon this subject; but it is a point of view that people at home can understand. They are not used to dealing in billions; but if it is made evident that a certain proportion of this debt is to be paid by them, they will understand that. My State is one of the two States in the Union that has no State debt. We have always avoided a State debt. We seem to have had an abhorrence of a State debt; and now, when the people of my State are confronted with the fact that Congress has saddled upon them this virtual debt, which they must pay—and they will pay their share of it before the end of the 62-year period—they will not regard this $12,400,000 as a matter of no moment. It will mean a serious thing to them.

Mr. SMOOT. Mr. President, I should like to ask the Senator from Nebraska if he desires to conclude to-night, or if it would suit him to have a recess taken now and continue on Monday? Which would he prefer to do?

Mr. HOWELL. I prefer to continue on Monday.

### DELAWARE RIVER BRIDGE, BURLINGTON, N. J.

Mr. BINGHAM. Out of order, I ask unanimous consent to report a bridge bill from the Committee on Commerce.

The VICE PRESIDENT. Without objection, the report will be received.

Mr. BINGHAM. From the Committee on Commerce I report back favorably without amendment Senate bill 4070, granting the consent of Congress for the construction of a bridge across the Delaware River at or near Burlington, N. J., and I submit a report (No. 662) thereon. I call the attention of the Senator from New Jersey [Mr. EDGE] to the report.

Mr. EDGE. Mr. President, this is one of the usual bridge bills, approved by the Departments of Agriculture and of War. I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

*Be it enacted, etc.*, That the consent of Congress is hereby granted to Joseph R. Cheesman, his heirs, legal representatives, and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Delaware River, at a point suitable to the interests of navigation, between the city of Burlington, N. J., and the city of Bristol, Pa., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906, and subject to the conditions and limitations contained in this act.

SEC. 2. There is hereby conferred upon the said Joseph R. Cheesman, his heirs, legal representatives, and assigns all such rights and powers to enter upon lands and to acquire, condemn, appropriate, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches and terminals as are possessed by bridge corporations for bridge purposes in the State or States in which such real estate and other property are located upon making just compensation therefor, to be ascertained and paid according to the laws of such State or States; and the proceedings therefor shall be the same as in the condemnation and expropriation of property in such State or States.

SEC. 3. The said Joseph R. Cheesman, his heirs, legal representatives, and assigns, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in such act of March 23, 1906.

SEC. 4. After the date of completion of such bridge, as determined by the Secretary of War, either the State of New Jersey, the State of Pennsylvania, any political subdivision of either of such States within or adjoining which any part of such bridge is located, or any two or more of them jointly, may at any time acquire and take over all right, title, and interest in such bridge and approaches, and interests in real property necessary therefor, by purchase, or by condemnation in accordance with the law of either of such States governing the acquisition of private property for public purposes by condemnation. If at any time after the expiration of 20 years after the completion of such bridge it is acquired by condemnation, the amount of damages or compensation to be allowed shall not include good will, going value, or prospective revenues or profits, but shall be limited to the sum of (1) the actual cost of constructing such bridge and approaches, less a reasonable deduction for actual depreciation in respect of such bridge and approaches, (2) the actual cost of acquiring such interests in real property, (3) actual financing and promotion costs (not to exceed 10 per cent of the sum of the cost of construction of such bridge and approaches and the acquisition of such interests in real property), and (4) actual expenditures for necessary improvements.

SEC. 5. If such bridge shall be taken over and acquired by the States or political subdivisions thereof under the provisions of section 4 of this act, the same may thereafter be operated as a toll bridge; in fixing the rates of toll to be charged for the use of such bridge, the same shall be so adjusted as to provide as far as possible a sufficient fund to pay for the cost of maintaining, repairing, and operating the bridge and its approaches, to pay an adequate return on the cost thereof, and to provide a sinking fund sufficient to amortize the amount paid therefor within a period of not to exceed 30 years from the date of acquiring the same. After a sinking fund sufficient to pay the cost of acquiring such bridge and its approaches shall have been provided, the bridge shall thereafter be maintained and operated free of tolls or the rates of toll shall be so adjusted as to provide a fund not to exceed the amount necessary for the proper care, repair, maintenance, and operation of the bridge and its approaches. An accurate record of the amount paid for acquiring the bridge and its approaches, the expenditures for operating, repairing, and maintaining the same, and of the daily tolls collected shall be kept, and shall be available for the information of all persons interested.

SEC. 6. The said Joseph R. Cheesman, his heirs, legal representatives, and assigns, shall, within 90 days after the completion of such bridge, file with the Secretary of War a sworn itemized statement showing the actual original cost of constructing such bridge and approaches, including the actual cost of acquiring interests in real property and actual financing and promotion costs. Within three years after the completion of such bridge the Secretary of War may investigate the actual cost of such bridge, and for such purpose the said Joseph R. Cheesman, his heirs, legal representatives, and assigns shall make available to the Secretary of War all of his records in connection with the financing and construction thereof. The findings of the Secretary of War as to such actual original cost shall be conclusive, subject only to review in a court of equity for fraud or gross mistake.

SEC. 7. The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this act is hereby granted to the said Joseph R. Cheesman, his legal representatives and assigns, and any corporation to which such rights, powers, and privileges may be sold, assigned, or transferred, or which shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation.

SEC. 8. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

### LANDS OF THE UNITED STATES

Mr. STANFIELD. Mr. President, I ask unanimous consent to have published in the RECORD a compilation of all of the lands of the United States, showing public lands reserved and unreserved.

The VICE PRESIDENT. Without objection, it will be so ordered.

The matter referred to is here printed, as follows:

*Our forage resources*

[From Yearbook, Department of Agriculture, 1923]

(Page 312)

[Figures in million acres]

| | *Acres* | *Per cent* |
|---|---|---|
| Total area of the United States | 1,937 | 100.0 |
| Total land area of the United States | 1,903 | 98.25 |
| Total water area of the United States | 34 | 1.75 |
| Total land area of the United States | 1,903 | 100.0 |
| Total land used for forage | 1,312 | 69.0 |
| Total land not used for forage | 591 | 31.0 |

*Our forage resources*—Continued

[From Yearbook, Department of Agriculture, 1923]

| | | | |
|---|---|---|---|
| Total land used for forage | Per cent 100.0 | 1,312 | 69.0 |
| Crops for feed | | 19.6 | 257 | 14.0 |
| Total pasture land | Per cent 100.0 | 80.4 | 1,055 | 55.0 |
| Humid improved pasture | 5.7 | 4.6 | 60 | 3.0 |
| Humid unimproved pasture | 16.2 | 13.0 | 171 | 9.0 |
| Forest cut-over and burned-over pasture | 22.5 | 18.1 | 237 | 12.0 |
| Arid and semiarid pasture and grazing lands | 55.6 | 44.7 | 587 | 31.0 |
| Total land not used for forage | | 100.0 | 591 | 31.0 |
| Crops for food | | 12.9 | 76 | 4.0 |
| Crops for fiber, etc | | 5.4 | 32 | 2.0 |
| Roads, railroad, cities, farmsteads, and other land not in pasture | | 40.1 | 237 | 12.0 |
| Forest, cut-over, and burned-over land not pastured | | 46.6 | 246 | 13.0 |

*Pasture and range land in the United States classified according to ownership, 1919*

(Page 367)

| | | | | |
|---|---|---|---|---|
| Total land area of the United States | | Per ct. | Acres 1,903 | Per ct. 100.0 |
| Total pasture lands of the United States | | 100.0 | 1,055 | 55.0 |
| Total privately owned pasture lands | | 68.0 | 718 | 37.4 |
| Total publicly owned pasture lands | | 32.0 | 337 | 17.6 |
| Total privately owned pasture lands | Per ct. 100.0 | 68.0 | 718 | 37.4 |
| Not in farms | 47.4 | 32.2 | 340 | 17.7 |
| In farms | 52.6 | 35.8 | 378 | 19.7 |
| Total publicly owned pasture lands | Per ct. 100.0 | 32.0 | 337 | 17.6 |
| Total Federal owned pasture lands | 100.0 | 88.7 | 28.4 | 229 | 15.6 |
| Public domain | 47.2 | 41.9 | 13.4 | 141 | 7.4 |
| National forests | 36.8 | 32.6 | 10.4 | 110 | 5.7 |
| Indian reservations | 16.0 | 14.2 | 4.6 | 48 | 2.5 |
| Total State owned pasture lands | | 11.3 | 3.6 | 38 | 2.0 |

*Relative areas of the principal classes of pasture, in farms and not in farms, United States, 1919*

(Page 368)

| | | | |
|---|---|---|---|
| Total land area of the United States used for pasture | Acres 1,055 | P. ct. 100.0 | |
| Pasture in farms | 378 | 35.8 | |
| Pasture not in farms | 677 | 64.2 | |
| Pasture in farms | P. ct. 100.0 | 378 | 35.8 |
| Unimproved (other than in forest) | 60.9 | 230 | 21.8 |
| Improved land | 18.5 | 70 | 6.6 |
| Forest | 17.7 | 67 | 6.4 |
| Woodland | 2.9 | 11 | 1.0 |
| Pasture not in farms | 100.0 | 677 | 64.2 |
| Privately owned | 51.0 | 340 | 32.2 |
| Publicly owned | 49.0 | 337 | 32.0 |
| Privately owned | 100.0 | 340 | 32.2 |
| Grassland | 63.5 | 216 | 20.4 |
| Forest | 29.1 | 99 | 9.4 |
| Woodland | 7.4 | 25 | 2.4 |
| Publicly owned | 100.0 | 337 | 32.0 |
| Grassland | 65.3 | 220 | 21.0 |
| Forest | 21.4 | 72 | 6.8 |
| Woodland | 13.3 | 45 | 4.2 |
| Pastures not in farms | Per cent 100.0 | 677 | 64.2 |
| Grassland | 100.0 | 64.4 | 436 | 41.4 |
| Privately owned | 49.5 | 31.9 | 216 | 20.4 |
| Publicly owned | 50.5 | 32.5 | 220 | 21.0 |
| Forest | 100.0 | 25.3 | 171 | 16.2 |
| Privately owned | 57.9 | 14.7 | 99 | 9.4 |
| Publicly owned | 42.1 | 10.6 | 72 | 6.8 |
| Woodland | 100.0 | 10.3 | 70 | 6.6 |
| Privately owned | 35.7 | 3.7 | 25 | 2.4 |
| Publicly owned | 64.3 | 6.6 | 45 | 4.2 |

*Animal units carried by pasture in the United States—Estimated number in the year 1919*

[Yearbook, Department of Agriculture, 1923—Our forage resources (p. 369)]

| | Million acres | Per cent | Per cent | Acres per animal | Length of season | Number of animals, season: Thousands | Number of animals, season: Per cent | Units carried—year-long equivalent: Thousands | Units carried—year-long equivalent: Per cent | Per cent |
|---|---|---|---|---|---|---|---|---|---|---|
| Total pasture | 1,132 | | 100.00 | | | | | 51,996 | | 100.00 |
| Humid grassland | 231 | 100.0 | 20.40 | | | 48,608 | 100.0 | 26,639 | 100.0 | 51.24 |
| Improved in farms | 60 | 25.9 | 5.30 | 2½ | 6 months | 24,000 | 49.4 | 12,000 | 45.0 | 23.08 |
| Unimproved in farms, east | 73 | 31.6 | 6.45 | 5 | do | 14,600 | 30.0 | 7,300 | 27.4 | 14.04 |
| Unimproved in farms, west | 15 | 6.5 | 1.32 | 10 | 9 months | 1,500 | 3.1 | 1,125 | 4.2 | 2.17 |
| Privately owned not in farms | 70 | 30.3 | 6.18 | 10 | do | 7,000 | 14.4 | 5,250 | 19.7 | 10.10 |
| National forest (alpine) | 2 | .9 | .18 | 6 | 3 months | 333 | .7 | 83 | .3 | .16 |
| Indian reservations | 3 | 1.3 | .26 | 8 | 9 months | 375 | .8 | 281 | 1.1 | .54 |
| Other publicly owned | 8 | 3.5 | .71 | 10 | do | 800 | 1.6 | 600 | 2.3 | 1.15 |
| Semiarid and arid grazing land | 587 | 100.0 | 51.85 | | | 24,509 | 100.0 | 17,439 | 100.0 | 33.54 |
| Grassland and desert shrub | 506 | 86.2 | 44.70 | | | 22,889 | 93.4 | 16,224 | 93.0 | 31.20 |
| Pinon-juniper and chaparral woodland (including 30,000,000 acres in national forests) | 81 | 13.8 | 7.15 | | | 1,620 | 6.6 | 1,215 | 7.0 | 2.34 |
| Grassland and desert shrub | 506 | 86.2 | 44.70 | | | 22,889 | 93.4 | 16,224 | 93.0 | 31.20 |
| Improved in farms | 10 | 1.7 | .88 | 10 | 6 months | 1,000 | 4.1 | 500 | 2.9 | .96 |
| Unimproved in farms | 142 | 24.2 | 12.55 | 15 | 9 months | 9,466 | 38.6 | 7,100 | 40.8 | 13.66 |
| Privately owned not in farms | 146 | 24.9 | 12.90 | 20 | do | 7,300 | 29.7 | 5,475 | 31.4 | 10.53 |
| National forests | 14 | 2.4 | 1.23 | 18 | 6 months | 778 | 3.2 | 389 | 2.2 | .75 |
| Indian reservations | 38 | 6.5 | 3.36 | 38 | yearly | 1,000 | 4.1 | 1,000 | 5.7 | 1.92 |
| Other publicly owned | 27 | 4.6 | 2.38 | 27 | 8 months | 1,000 | 4.1 | 667 | 3.8 | 1.28 |
| Public domain (excluding next item and woodland) | 116 | 19.7 | 10.25 | 55 | 6 months | 2,109 | 8.6 | 1,054 | 6 | 2.03 |
| Mohave-Gila Desert | 13 | 2.2 | 1.15 | 55 | 2 months | 236 | 1 | 39 | .2 | .07 |
| Forest and cut-over land | 237 | 100 | 20.93 | | | 10,261 | 100 | 5,018 | 100 | 9.65 |
| In farms | 66.4 | 28 | 5.86 | 20 | 6 months | 3,320 | 32.4 | 1,660 | 33.1 | 3.19 |
| Privately owned not in farms | 98 | 41.4 | 8.66 | 25 | do | 3,920 | 38.2 | 1,960 | 39.1 | 3.77 |
| National forests | 65 | 27.4 | 5.74 | 24 | 5½ months | 2,708 | 26.3 | 1,241 | 24.7 | 2.39 |
| Indian reservations | 5.6 | 2.4 | .49 | 24 | 6 months | 233 | 2.3 | 117 | 2.3 | .22 |
| State forests | 2 | .8 | .18 | 25 | do | 80 | .8 | 40 | .8 | .08 |
| Temporary crop land pastures | 77 | 100 | 6.80 | | | 18,600 | 100 | 2,900 | 100 | 5.57 |
| Hay aftermath | 24 | 31.2 | 2.12 | 3 | 1½ months | 8,000 | 43 | 1,000 | 34.5 | 1.92 |
| Stubble fields | 45 | 58.4 | 3.98 | 5 | 2 months | 9,000 | 48.4 | 1,500 | 51.7 | 2.88 |
| Winter grain fields | 8 | 10.4 | .70 | 5 | 3 months | 1,600 | 8.6 | 400 | 13.8 | .77 |

[From United States Forest Service, Forest Service Report on Senate Resolution 311, 1920. Revised to 1922]

*Ownership of forest area in the United States, by regions*

[Figures in thousand acres]

| | Total United States | | Total 11 Western States | | Total 3 Pacific Coast States | | Total 8 Rocky Mountain States | | Total 37 Eastern States | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Area | Per cent | Area | Per cent | Area | Per cent | Area | Per cent | Area | Per cent |
| Forest area | 469,500 | 100 | 119,900 | 100 | 59,100 | 100 | 60,800 | 100 | 349,600 | 100 |
| Per cent | 100 | | 25.5 | | 12.6 | | 12.9 | | 74.5 | |
| Federal ownership | 89,100 | 19.0 | 83,500 | 69.7 | 31,800 | 53.8 | 51,700 | 85.0 | 5,600 | 1.6 |
| Per cent | 100 | | 93.7 | | 35.7 | | 58.0 | | 6.3 | |
| National Forest | 81,200 | 17.3 | 76,600 | 63.9 | 28,300 | 47.9 | 48,300 | 79.4 | 4,600 | 1.3 |
| Per cent | 100 (91.1) | | 94.3 (91.7) | | 34.8 (89.0) | | 59.5 (93.4) | | 5.7 (82.1) | |
| Other | 7,900 | 1.7 | 6,900 | 5.8 | 3,500 | 5.9 | 3,400 | 5.6 | 1,000 | 0.3 |
| Per cent | 100 (8.9) | | 87.3 (8.3) | | 44.3 (11.0) | | 43.0 (6.6) | | 12.7 (17.9) | |
| State and municipal ownership | 9,100 | 1.9 | 2,900 | 2.4 | 1,000 | 1.7 | 1,900 | 3.1 | 6,200 | 1.8 |
| Per cent | 100 | | 31.9 | | 10.9 | | 20.9 | | 68.1 | |
| Private ownership | 371,300 | 79.1 | 33,500 | 27.9 | 26,300 | 44.5 | 7,200 | 11.9 | 337,800 | 96.6 |
| Per cent | 100 | | 9.0 | | 7.1 | | 1.9 | | 91.0 | |
| Farm wood lots | 150,000 | 32.0 | 10,000 | 8.3 | 6,500 | 11.0 | 3,500 | 5.8 | 140,000 | 40.0 |
| Per cent | 100 (40.4) | | 6.7 (30.0) | | 4.3 (24.7) | | 2.3 (48.6) | | 93.3 (41.4) | |
| Other | 221,300 | 47.1 | 23,500 | 19.6 | 19,800 | 33.5 | 3,700 | 6.1 | 197,800 | 56.6 |
| Per cent | 100 (59.6) | | 10.6 (70.0) | | 8.9 (75.3) | | 1.6 (51.4) | | 89.4 (58.6) | |

[Yearbook of the Department of Agriculture, 1923, page 312]

Land area of the United States: 1,903,000,000 acres.

Used for forage: 1,312,000,000 acres; about 69 per cent of the total land area.

Crops for feed: 257,000,000 acres; 14 per cent.

Humid improved pasture: 60,000,000 acres; 3 per cent.

Humid unimproved pasture: 171,000,000 acres; 9 per cent.

Forest, cut-over, and burned-over land pastured: 237,000,000 acres; 12 per cent.

Arid and semiarid pasture and grazing land: 587,000,000 acres; 31 per cent.

Total land used for forage: 1,312,000,000 acres; 69 per cent.

Not used for forage: 591,000,000 acres; about 31 per cent of the total land area.

Crops for food: 76,000,000 acres; 4 per cent.

Crops for fiber, etc.: 32,000,000 acres; 2 per cent.

Roads, railroads, cities, farmsteads, and other land not in pasture: 237,000,000 acres; 12 per cent.

Forest, cut-over, and burned-over land not pastured: 246,000,000 acres; 13 per cent.

Total: 591,000,000 acres; 31 per cent.

About 69 per cent of the total land area of the United States was used in 1919 for the production of forage. Some of this—for instance, the forest land that was pastured—contributed other products than forage. The above statement merely indicates the immensity of the land area required for the support of the Nation's livestock. The 257,000,000 acres producing crops for feed yielded slightly more sustenance than the 1,055,000,000 acres used for pasture. More than half of this pasture is arid western range and nearly a fourth more is forest and cut-over land which in general has a low carrying capacity.

[Yearbook of the Department of Agriculture, 1923, p. 367]

*Pasture and range land in the United States classified according to ownership, 1919*

[Figures in million acres]

| | Acres | Per cent |
|---|---|---|
| Privately owned pasture | 718 | 68.0 |
| Publicly owned pasture | 337 | 32.0 |
| Total | 1,055 | 100.0 |
| Privately owned pasture: | | |
| Not in farms | 340 | 47.4 |
| In farms | 378 | 52.6 |
| Total | 718 | 100.0 |
| Publicly owned pasture (including Indian lands): | | |
| Public domain | 141 | 41.9 |
| National forests | 110 | 32.6 |
| Indian reservations | 48 | 14.2 |
| State lands | 38 | 11.3 |
| Total | 337 | 100.0 |

Over two-thirds of the land used for grazing is privately owned. Of the privately owned grazing land slightly over half is in farms. The privately owned land not in farms includes a vast area in the West, belonging to railroad and lumber companies and to large livestock producers, and a smaller area in the East of forest and cut-over land used for grazing, belonging to lumber companies and individuals. Over 40 per cent of the publicly owned or administered grazing land is in the public domain and 30 per cent more is in the national forests. The Indian lands are not publicly owned, but they are administered by a Government agency.

[Yearbook of the Department of Agriculture, 1923, page 368]

*Relative areas of the principal classes of pasture, in farms and not in farms, United States, 1919*

[Figures in millions of acres]

| | Acres | Per cent |
|---|---|---|
| Pasture in farms | 378 | 35.8 |
| Pasture not in farms | 677 | 64.2 |
| Total | 1,055 | 100.0 |
| Pasture in farms: | | |
| Unimproved (other than forest) | 230 | 60.9 |
| Improved land | 70 | 18.5 |
| Forest | 67 | 17.7 |
| Woodland | 11 | 2.9 |
| Total pasture in farms | 378 | 100.0 |
| Pasture not in farms: | | |
| Privately owned | 340 | 51.0 |
| Publicly owned | 337 | 49.0 |
| Total | 677 | 100.0 |
| Pasture not in farms: | | |
| Privately owned— | | |
| Grassland | 216 | 63.5 |
| Forest | 99 | 29.1 |
| Woodland | 25 | 7.4 |
| Total privately owned | 340 | 51.0 |
| Publicly owned— | | |
| Grassland | 220 | 65.3 |
| Forest | 72 | 21.4 |
| Woodland | 45 | 13.3 |
| Total publicly owned | 337 | 49.0 |
| Pasture not in farms: | | |
| Grassland— | | |
| Privately owned | 216 | 49.5 |
| Publicly owned | 220 | 50.5 |
| Total grassland | 436 | 100.0 |
| Forest— | | |
| Privately owned | 99 | 57.9 |
| Publicly owned | 72 | 42.1 |
| Total forest | 171 | 100.0 |
| Woodland— | | |
| Privately owned | 25 | 35.7 |
| Publicly owned | 45 | 64.3 |
| Total woodland | 70 | 100.0 |

Although pasture land in farms includes only 36 per cent of the total grazing land of the United States, it carries 60 per cent of the total animal units grazed (excluding temporary pasture). Improved pasture is the most productive. It includes only 7 per cent of the total pasture area (in farms and not in farms), but contributes 25 per cent of the total sustenance obtained by grazing. Pasture not in farms is almost equally divided between publicly owned and privately owned land. Nearly two-thirds of each kind is grassland and desert shrub land, and one-third is forest and woodland.

[Yearbook of the Department of Agriculture, 1923, page 369]

TABLE 22.—*Animal units carried by pasture in the United States*[1]

[Estimated number in the year 1919]

| | Acres (thousands) | Acres per animal unit and length of season | Number of animal units carried | |
|---|---|---|---|---|
| | | | Season (thousands) | Year-long equivalent (thousands) |
| Humid grassland: | | | | |
| Improved in farms | 60,000 | 2½ for 6 months | 24,000 | 12,000 |
| Unimproved in farms, East | 73,000 | 5 for 6 months | 14,600 | 7,300 |
| Unimproved in farms, West | 15,000 | 10 for 9 months | 1,500 | 1,125 |
| Privately owned not in farms | 70,000 | do | 7,000 | 5,250 |
| National forest (alpine) | 2,000 | 6 for 3 months | 333 | 83 |
| Indian reservations | 3,000 | 8 for 9 months | 375 | 281 |
| Other publicly owned | 8,000 | 10 for 9 months | 800 | 600 |
| Total humid grassland | 231,000 | | 48,608 | 26,639 |
| Semiarid and arid grazing land:[2] | | | | |
| Grassland and desert shrub— | | | | |
| Improved in farms | 10,000 | 10 for 6 months | 1,000 | 500 |
| Unimproved in farms | 142,000 | 15 for 9 months | 9,466 | 7,100 |
| Privately owned not in farms. | 146,000 | 20 for 9 months | 7,300 | 5,475 |
| National forests | 14,000 | 18 for 6 months | 778 | 389 |
| Indian reservations | 38,000 | 38 for year long | 1,000 | 1,000 |
| Other publicly owned | 27,000 | 27 for 8 months | 1,000 | 667 |
| Public domain (excluding next item and woodland). | 116,000 | 55 for 6 months | 2,109 | 1,054 |
| Mohave-Gila Desert | 13,000 | 55 for 2 months | 236 | 39 |
| Pinon-juniper and chaparral woodland (including 30,000,000 acres in national forests.)[3] | 81,000 | 50 for 9 months | 1,620 | 1,215 |
| Total, semiarid and arid grazing land. | 587,000 | | 24,509 | 17,439 |
| Forest and cut-over land:[4] | | | | |
| In farms | 66,400 | 20 for 6 months | 3,320 | 1,660 |
| Privately owned not in farms | 98,000 | 25 for 6 months | 3,920 | 1,960 |
| National forests | 65,000 | 24 for 5½ months | 2,708 | 1,241 |
| Indian reservations | 5,600 | 24 for 6 months | 233 | 117 |
| State forests | 2,000 | 25 for 6 months | 80 | 40 |
| Total forest and cut-over land. | 237,000 | | 10,261 | 5,018 |
| Temporary crop land pastures: | | | | |
| Hay aftermath | 24,000 | 3 for 1½ months | 8,000 | 1,000 |
| Stubble fields[5] | 45,000 | 5 for 2 months | 9,000 | 1,500 |
| Winter grain fields | 8,000 | 5 for 3 months | 1,600 | 400 |
| Total temporary crop land pastures. | 77,000 | | 18,600 | 2,900 |
| Total pasture | 1,132,000 | | (6) | 51,996 |

[1] These estimates, which are subject to change, are based on 1920 and 1910 census statistics; data supplied by the Forest Service, Indian Office, Land Office, and other Federal bureaus; reports of various State commissions; and on correspondence with State officials and others.

[2] It is estimated that at present about 57,000,000 acres of desert are too dry for grazing, but with the development of wells and tanks this area may ultimately be reduced to about 30,000,000 acres. There are also about 20,000,000 acres, mostly in the West, of rocky peaks and rock out-crops unusable for pasture.

[3] The remaining 51,000,000 acres of pinon-juniper and chaparral used for grazing are located in Indian reservations, the public domain, and privately owned land in farms and not in farms. These items, as given in the table, have been correspondingly reduced.

[4] Of the forest, cut-over, and burned-over land, it is estimated 246,000,000 acres are not pastured.

[5] Does not include cornfields pastured off, nor cornstalks grazed, which have been included under crops. See Table 13.

[6] The forage supplied by pasture is, therefore, almost equal to that supplied by all the crops. (Table 12.) In order that responsibility may be placed for these basic estimates, it may be noted that the rations of the various crops and crop products, as measured in tons, required (theoretically) to support an animal unit for one year, were supplied by Mr. Sheets and Mr. Semple, that the resulting tables of feeding value of the crops (Tables 6 to 21) were prepared by Miss Bradshaw under the joint direction of Mr. Vinall and Mr. Baker, and that the estimates of the acreage and carrying capacity of the pastures and range lands (Table 22 above) were prepared by Mr. Baker.

SPEECH OF SENATOR SHIPSTEAD AT CHICAGO, ILL.

Mr. NYE. Mr. President, on St. Patrick's Day, and on the same day that one of our ambassadors was giving a now famous interview, the senior Senator from Minnesota [Mr. SHIPSTEAD] was addressing a gathering in Chicago. In view of the richness of this speech, I ask unanimous consent that it be printed in the RECORD.

The VICE PRESIDENT. Without objection, it will be so ordered.

The speech is here printed, as follows:

Senator SHIPSTEAD. Mr. Chairman, ladies, and gentlemen, in the name of the central and basic principle of our Government, I have come here from Washington to ask you to think, to decide, and to act. That principle—the foundation stone of our political life, and the touchstone of our liberty and our welfare—is that the Federal Government is a government of, by, and for the people of the entire Republic acting through their representatives. The people are supreme; they alone have the right to change the structure of the Nation and its policies, provided, always, of course, that they respect and safeguard the inherent rights of the individual. But neither the judiciary nor the Executive may presume to alter, in substance, the constitutional structure or the essential policies of the Nation; nor may the Congress do more than propose such alterations, and then ask the will of the Nation as to their effectuation. Congress is our lawgiver simply because in the complex conditions under which we live, the drawing up of laws and the prescribing of rules must be delegated to a few people; but the laws that Congress enacts are laws, and enjoy force and effect only because they have behind them the mandate and will of the people. A vast amount of political machinery has grown up which fills up the distance between the lawmaking stage and the people who are the final sanction of the law; but in the last analysis, the relation remains unchanged. The people may be negligent or cynical about it, or they may be only spasmodically interested in having their will made effective; the machinery may work badly, or be wholly thrown out of gear; nevertheless, the fact remains that our Government is one of a representative character, and in our people, as a whole, resides the power to determine the form and operation of their Constitution and the nature and direction of their policies.

The Congress comprises two great legislative bodies, one of which provides for direct local representation and the other of which consists of the representatives of the sovereign States that form one Federal Union. The Members of both Houses represent the people, even though they are selected differently and have different powers and duties. The Senate represents the people in their capacity as citizens, each of a separate sovereign State, and, like the rest of the Federal Government, all its powers derive first, last, and always from the people of the sovereign State and the Federal Union.

My friends, if I seem to be insisting upon elementary matters, let me ask you to bear with me patiently, for I am so deeply impressed with the peril in which I feel our fundamental principles to stand that I regard it to be necessary to get down to bedrock. For, ladies and gentlemen, if I am wrong about this policy on which the Senate lately authorized the Executive to embark—this policy of direct and formal intervention in the affairs of Eurasia—then I am wrong about the notions I have as to the fundamental principles of our Government. If I have misunderstood the import, the significance, the very validity of our adhesion to the treaty of Versailles—which in effect is what our participation in the Permanent Court of International Justice means—then I have misunderstood, from childhood on, the elementary and bedrock basis of our whole political organization and the real meaning of our history. And what is true of me is true of you, for nearly everyone within reach of my voice would approve, I feel certain, of the interpretation I ventured to give of the final seat of power in this country. If you and I are right in that interpretation, then it behooves us to consider, and without a moment's delay, whether we can accept without protest the decision of the Senate six weeks ago to arrogate to itself powers it did not possess to authorize acts for which neither itself nor the Executive, to whom it delegated its spurious authorization, ever had the slightest mandate from the people of this Republic.

There are profound constitutional questions involved in this whole issue. I shall not, of course, go into them, here to-night, at the length that was possible on the floor of the Senate. But I feel that one essential part of my message to you must be to ask you to think about the peril in which your control over your Government now exists. The peril is caused by the creation of a new constitutional source of law in this country, a source about which not a word is to be found in the great document of 1787, or any of its amendments. The President of the United States, with the concurrence of a partisan and short-sighted coalition in the Senate, has succeeded in fastening upon our constitutional structure a sort of poisonous fungus, in the form of an external court, which is to interpret and formulate international law and thus provide our domestic courts with a growing portion of their precedents and material.

Men may answer me and say, "Ah, but we reserve explicitly the supremacy of our courts." My reply to that is that if we reserve any such thing, we invite war. There is no alternative. Once in this thing, we are in for good. If I felt that it were a desirable policy, I would be sincere and genuine about it, and I would advocate the acceptance not merely of the treaty that the court is based on, but also the acceptance of the court's compulsory and complete jurisdiction. I would not say, as Mr. Coolidge told us last December, that by going into the court we would get certain advantages without losing any of the advantages to be gained by not going in! But one thing is certain—I would not try the delusion that we could protect the jurisdiction of our domestic courts by any reservations.

Once in the business we should find it utterly impossible to escape complete, even though gradual, submission; and the fact that we had to be driven into making such concessions would not win anyone's gratitude in particular. The reservations would be worth little in the

hands of even a firm and enlightened administration, but in the hands of feeble, uninformed, or deliberately disloyal elements the reservations would disappear like snow under the noonday sun.

How statesmen of Europe feel about our much flaunted reservations may be gathered from a statement of Lord Grey concerning our proposed reservations to the League of Nations. He is quoted as saying:

"Let them come in with reservations; after they are in the reservations will amount to nothing."

Concerning the reservations voted with our resolutions of adherence to the World Court, Lord Shaw, a member of the final court of appeals in Great Britain, is quoted as saying:

"It is unreasonable to suppose that the United States could go on indefinitely claiming the right to interfere in other people's business, and at the same time denying them the right to interfere in hers, which is what the reservation amounts to. Therefore, I imagine the reservation will soon lapse."

It is unusual, my friends, for the defeated minority in either House of the Federal Congress to appeal from the decision. It means time and effort, and I assure you, whatever impressions you may have to the contrary notwithstanding, that only a few of us have surplus energy to devote to the formidable task of a nation-wide appeal to the people. As a rule, when the majority carries through its program, the minority put up with the decision as best they may, and hope for better fortune on another day. I know this to be true, for I often find myself in the minority.

A man retains his convictions, but he accepts the situation because he sees no chance of upsetting it until the people are aroused, and he has to give his attention to the next question that comes up, and not spend his time and energy trying to arouse them. But occasions come when he feels that he must put everything else aside; he must undergo whatever risk or strain there is involved in his spreading the alarm. He must go to the people.

And so the Senators who were opposed to the entrance of the United States into the Permanent Court of International Justice have gone to the people; not merely to the people to whom they are directly answerable—that is, the people of the sovereign States who elected them to the Senate—but also to the people of other States as well. For they felt that this danger which they foresee must be explained to the Nation as a whole. And they have acted spontaneously—not according to a preconcerted plan, but as men whose conception—first, of the nature of our Government; second, of the people's wishes regarding policies; and, third, of the duty they themselves assumed when they took the oath of office as Senators of the United States—leaves them absolutely no alternative!

Ladies and gentlemen, we debated a resolution regarding the so-called World Court for less than 25 days in the Senate. The total amount of time spent by the opponents of this fundamental change in our American national destiny was the equivalent of just seven days of senatorial debating time. This time was spread out through 25 debating days, but the total time consumed by our side was the equivalent of just seven days. We who are opposed to changing America's foreign policy, one to which we have adhered for 140 years with great benefit to our country, were allowed only seven days to defend our position.

They evidently got scared for fear the country would rise against them and their policy and decided it was now or never, and put on cloture and stopped debate, evidently thinking that this would stop the debate of this question for all time. Lincoln said, "No question is settled until it is settled right," and gag rule never has permanently settled any question. Under the rules of the Senate they could stop debate by invoking cloture, but they can not gag the American people.

During the 25 days we had for debating the resolution regarding the World Court the discussion of this subject did not extend over a couple of hours, and much other business received attention. From the very outset a propaganda of prodigious proportions was carried on against our debating the matter at all. A vast amount of rubbish was spread about the country regarding filibusters. For months the press—not all of it, of course, but, unhappily, a number of its most powerful members—was filled with ridicule, menace, and misrepresentation. The picture was repeatedly drawn of "little groups of willful" Senators stubbornly sitting around, day and night, reading poetry or prayers to kill time and suffocate legislation they disliked. Cartoonists showed us with arm loads of books intended to barricade the beneficent purposes of the administration. We delayed the millennium seven days trying to keep America American. What filibuster was there in that?

Amid the din of abuse and falsehood stirred up regarding the alleged delay on the court resolution it became impossible to secure any information from those in charge of the measure. It will amaze you to learn that we never had before us the authentic papers regarding this court at The Hague. We were flooded with ready-made telegrams and speeches and petitions, all worked up by one or two groups, but the administration itself furnished not a single document bearing on the whole proposition. On January 13 I presented a resolution calling for such information as would properly equip the Senate to discuss the question. If the Senate had passed that resolution, we should have had, perhaps by now, sufficient documents of our own, official and authentic in character, and not fed into us by committees in New York City, to warrant our studying the matter. What an undignified spectacle, ladies and gentlemen, of the learned Senators using as the sources of their arguments on behalf of the court resolution miscellaneous printed material, much of it private, practically none of it gathered and sponsored by responsible official agencies of our own Government.

It was not bad enough that we should be denied the exercise of our constitutional duty to examine and explore every aspect of the proposed policy; it was not even enough that we should be denied any documents, material, any records, as much as an authentic copy of the instrument we were trying to discuss; the coalition of administration and Democratic Senators went much farther. They went so far as to change the resolution itself, at the last moment, after they had secured the application of cloture automatically terminating the debate. Thus it came to pass that what we voted on was never debated at all; and what we had debated was only indirectly put to vote.

A substitute resolution, differing in many material respects from the one that had been under discussion, was submitted for vote at the very hour of voting, rigidly fixed beforehand, came upon us. Many who were intently observing what went on in those days have characterized this maneuver as the most discreditable of sharp practice. So, too, should I be inclined to regard it, if I did not know what really lay behind it, and what I know about it only makes me protest more vehemently than ever, and will only stimulate you to more serious thought than ever on this subject, when I return to this episode, as I shall presently, I say to serious thought; but as I said when I began, I am asking you not merely to think about this matter but to decide and to act.

Before I take up the dangers of our position, the alternatives that confront you, and the other aspects of the issue, I ought to tell you in very brief fashion what the court is, what its antecedents are, and what form our relation to it is now intended to take.

As the war was drawing to a close, various groups of people were exceptionally busy preparing for the settlement which was to end it. The great little colonel from Texas, Colonel House, had a group of self-constituted experts gathering material for official use. The Carnegie Endowment for International Peace, presided over and directed by Elihu Root, was engaged not only in assisting in the "war to end all wars" but also in preparing for the peace which would end the war to end all wars. I wish I had time to discuss the origin and record of this strange establishment, as remarkable a perversion of trust as this country ever witnessed.

From 1914 to 1918 it was a veritable flail thrashing the wicked chaff of the Huns, and its enormous revenues—nearly a half million of dollars each year—went out in war propaganda, in sending missions of British and French lecturers over this country, and so on. But the endowment had grandiose plans for ending the peril of future wars; among them was the plan of creating a great international system of courts for public and private issues. This was to be the masterpiece of Mr. Root's contributions to humanity. And there were other organizations, like Mr. Taft's League to Enforce Peace, and so on—all busy with peace plans. One thing they had in common, and perhaps the only one. All of them were originated by the elements that were screaming most loudly for the blood and starvation and enslavement of the enemy. All of them came from the elements that had the lead in the campaign to stir hatred and murderous passions in the hearts of men.

The war ended and the dictation of peace terms—not the negotiation of peace terms—began. Elihu Root, through his influence through the New York Bar Association and other organizations, had a flood of telegrams and letters sent to the conference, and succeeded in getting a provision drafted on to the treaty.

It provided for a commission of jurists to create, subject to the assembly and council of the league, an international tribunal of a permanent court.

The so-called "negotiations" ended, and the treaty was signed. If there were any "negotiations," they certainly were not with the Germans, who were told what and when to sign. The victors in the "war to make the world safe for democracy" did, as a matter of fact, indulge in a great deal of negotiation between themselves, negotiation suitable and appropriate for a "peace without victory." They made a great many deals regarding the colonies and the "liberated" areas, and ships and other loot of the war; and they quarreled among themselves before they could agree on anything. But one thing they certainly did, and did so thoroughly that it is going to require another generation to undo it—they concluded a "peace without victory" for democracy. They intended to create a league of governments which should retain in the hands of the bureaucracies and the military and naval staffs the vast concentration of power which four years of war had made possible. They intended to incorporate in one mutual insurance corporation the political machines of the victorious nations then in power, the statesmen there present, and their aspiring juniors at home. They intended to set bounds to the march of democratic thought—bounds not merely political and military, but legal and scientific. They intended to preserve the situation as they then had it, with half of Europe reduced to the status

of Shantung or Haiti—by monopolizing all the field of international law, and compelling it to come under the jurisdiction of the machinery they were establishing. They intended to organize and unify the entire field of scientific thought and social action and create another tremendous agency for misrepresenting and exploiting the common man and robbing him of the right to democratic self-government.

My friends, I wish I could say that these malign intentions were disappointed. I wish I could record the failure of this conspiracy to cement a "peace without victory" for democracy. But the course of events since 1919 is mournful evidence that these intentions have not been defeated; that the conspiracy may yet have proved successful.

They say that the American flag must go back to Europe because our money is there. It is true our money is there and a good share of it is not coming back. Forty billions of these American dollars were sent to Europe in the name of "peace" to prosecute "A war to end war." A war we were told would bring justice and "peace." This was an experiment in "world cooperation" and "moral leadership" to destroy militarism and establish justice. We destroyed German militarism and then we discovered that that was the only militarism our war-mad pacifists wanted destroyed. When German militarism was destroyed the victors took the German colonies of Africa and Asia, the oil fields of Mesopotamia, and other possessions of the vanquished, and to keep it all increased their military forces and pooled them all into one grand military superdictatorship of the world, the League of Nations.

I beg you to remember this was all done in the name of peace.

We who have so recently been over the course of history ought to remember the danger signals. The war makers always do their work in the name of peace. When Germany, Austria, and Italy formed their triple alliance they did not tell the world that it was a military alliance for the purpose of making war; they said it was an alliance for peace. When England, France, and Russia formed their triple entente they also told the world that it was a peace alliance and not for war. The large armies and navies they were building in the meantime were said to be machinery for peace. Nothing was said to the people about the purposes of these alliances, about the struggle for the trade of the Orient between England and Germany, about the desire of Russia to have her own harbor on warm water, about the desire of France and Italy for more territory. They told their people they were only interested in peace and that they had formed these military alliances in order to prevent war and maintain peace. But the people did not get peace; they got war; and finally we became involved in the war—a war that we were told was to make an end of war; a war that should end militarism; a war that should bring peace. But there is no peace; there is more militarism than ever; there are more governments by dictators than ever before. Still the voice of humanity is clamoring for peace, and can have no peace because those who control their government do not want peace. They want oil wells, coal mines, iron mines, and interest on bonds, land, and mandates to exploit other people.

That is what they got out of the last war. And to protect this loot they formed a grand military alliance to take the place of the little alliances, and pooled their military machinery of battleships, submarines, aeroplanes, and poison gas, under article 10, and because humanity is crying for peace they tell the people this is the machinery of peace.

If this organization is for peace why all this equipment for war? The league is dominated and controlled by the large powers of Europe because they control its board of directors, the Council of the League.

If their war machinery is for defense what country or people do they fear? What people are these large powers afraid of?

This league court is a part of a supergovernment system for the world, a system antidemocratic in character and which aims at a system of imperialistic superdictatorship, displacing constitutional governments in Europe and extending its autocracy over the world.

The League of Nations system is a military alliance organized to maintain the status quo of the last war and by mutual guaranty to protect the territorial possessions acquired by war in Asia and Africa by the governments of Europe.

Article 1, of the statute of the World Court of International Justice states that the court is created as provided for in Article XIV, of the covenant of the League of Nations. After specifying the terms upon which states other than those who are members of the league and those mentioned in the annex might use the league court, the league makes special reservation of the right to cancel or rescind the right to use the court. The statute of the court expressly provides that the right to use the court shall be fixed by the league.

Finally, we have this situation: The league creates the court. It fixes the salaries of the judges. It pays the judges. It provides for the increase of the number of judges. It pays the salaries of the employees of the court. It is the adviser and counselor of the court, not by reason of the statute but by reason of the covenant of the league.

Its judgments and opinions are to be enforced by the league. The league controls the accessibility of the court. No one not a member of the court can use the court other than upon conditions provided for by the league. If the league breaks down the court must go, the same as the State court depends upon the State government. This is its mechanical and legal connection. Spiritually, the union is still more complete.

What is the court to do? When the league brand of international law is completed and is poured into a volume for the court's consumption, will the court then refuse to accept league law as valid law? Looking forward to the expiration of their terms of office and desiring reelection at the hands of the league, will the judges of the court refuse to execute the league's officially developed and revised body of international legal rules?

If they should thus refuse they would be flouting the very body by which they were created, by whose will they live. If, on the other hand, they accept the league's jurisprudence as their authoritative jurisprudence, we shall find ourselves sitting in a court applying rules of law devised by a body of which we are not a member.

In international law there are many conflicts of views and disputed rules. The whole field of international law needs clarification and definition. Such clarification and definition can be furnished in one of only three ways. The first is through general international conferences. This is ruled out because the league has refused to accept it.

The second way is through the league. This surely must be ruled out for us, since we do not belong to the league.

The third way is through the court itself. This is the only way not ruled out by the circumstances which I have mentioned. The whole proposition in its necessarily ultimate form is accordingly this, that the legal rules which are to control the whole international life of mankind and which are to keep democracy in awe and in line are to be devised by 11 men sitting at The Hague and drawing their inspiration from their own ideas and prepossessions.

On December 16, 1920, the assembly of the league breathed life and blessing into the Permanent Court of International Justice. No amount of talk or argument can alter this fact. There and then the court received its formal sanction; and if it has life and vigor to-day it has them only because the league stands back of it. I listened for several weeks to some of the most adroit lawyers in the country argue that the league and the court were not one and the same thing, and that this country could belong to one and not to the other; but after all was said and done they were able to deny neither the origin of the court nor the scope of its business—heretofore all league business. It is the legal department, or general counsel's office, of the mutual aid and benefit society of associated governments, and its business is to furnish legal advice to the board of directors of the organization. It has as much or as little jurisdiction as the board of directors see fit to confer on it.

Elihu Root and the forces he represents intended this court to be one of the most potent agencies in the world for controlling the masses. He said so with almost astonishing frankness, time and time again, in the meetings of his Carnegie Endowment. They planned that the league's greatest contribution should be the consolidation of the world as it stood in 1918, with the bureaucrats intrenched in power, the loot of the war collected around them, and both standing within a magic circle, like the line drawn by Richelieu in Bulwer Lytton's famous drama. The name of that magic circle would be Law. In the name of law he and his associates would bar the way to progress and democratic thought and humane and upright principles. These men who had defiled the very name and essence of a contract between nations by the form and character they had given to the treaty of Versailles were bound, by hook or crook, to tie the United States and its democratic masses to that treaty. If they had to do it by first getting us tied to one of the subordinate documents of the treaty, like the court, they would do it that way.

I am not an isolationist in the proper use of the term. My dear friends, no man or woman who studies the history of this Republic or of any of the Republics of America can be an isolationist. We have been in intimate contact as a people with the peoples of Europe; we have had the most widespread trade and other relations with them from the Revolution throughout the nineteenth century. The legend of our isolation is utterly ridiculous. How could it be otherwise? Who are we but the descendents of Europeans returning the fullest sort of direct sympathy in the Old Continent?

The people of this country were never "isolationists," but they were never in favor of political alliances either of the formal sort, which even our present Secretary of State condemns, or of the informal sort, which he has been so busy trying to complete. We were too well acquainted with the European system during 150 years to want to lose the political insulation our constitutional liberties and the Atlantic Ocean afforded us, for we could see in each successive generation since the achievement of our own independence in 1783 the terrible consequences of the materialistic and remorseless policies of the European state system. Our population was made of successive layers of men and women who fled from or sought to forget the consequences of that system. The Irish, for whom this particular date is a precious recollection, fleeing from a monstrous political and economic oppression; the Germans, seeking to escape the worst consequences of a life

of economic and political hardship; the peoples of northern, eastern, and southern Europe, all anxious to embrace the great opportunity to live lives of economic and political freedom, all willing to die for this opportunity—these people were not individual isolationists, but they wanted their adopted country insulated politically.

That is my point of view. I want peace. I feel that we shall be able to enjoy peace if we mind our own business.

I contend that in the ordinary machinery of negotiation and in the prosecution of a reasonable policy of commercial relations with other countries we can find all the protection that we need. I feel that we do not require any tribunal to assume all the jurisdiction over international law and try to organize and codify it along certain lines. The League of Nations has a committee doing this, a kind of adjunct to the World Court. The league has a committee on intellectual cooperation, which is aiming at some kind of monopolistic control over the higher branches of scientific thought. Within a few months one of the persons closest to the Rockefeller fortune has gone over to Geneva to look over the ground for an international economic academy, which will grind out economic propaganda on a prodigious scale and become an agency of the most sinister sort for the steady poisoning of the minds of our schools, our student body—eventually our citizenship.

My friends, you must not think me overpessimistic. The other day a report came to our Committee on Foreign Relations in the Senate, of which committee I am a member, on the origins of the war. A year or so ago a resolution directed a reference bureau that we have in the Library of Congress to prepare a report on the responsibility for the war. The document was submitted in February. It is of a preliminary character as yet, merely a basis for further examination. But it is enough to justify the pessimism that I am revealing, if you call it such. There was that gigantic struggle into which everyone of even moderate intelligence in Europe could see the continent slipping; everyone knew why it was coming; yet no effective effort was made to cut the alliances and commitments, nor to liquidate the vast financial obligations that made it inevitable.

The same situation is developing to-day. It is coming along slowly, for the world is impoverished and apathetic, and the struggle for the great stakes can not be resumed under such conditions. But the far-seeing fellows who know what they have now and what they want to protect are busy trying to work up links of invisible gold and self-interest which will tie our country to the vast international military machine they have created in the league.

Is there any hope that by going into the court and by going into the league we could elevate and purify and Christianize its practices and its plans? There is no such hope. Our democracy can not speak to other democracies through the machinery of Geneva and The Hague. Our democracy has no hope of reaching other democracies through the cynical and sophisticated bureaucrats of Washington, who have no more democratic feeling in them than a stone. As things look now there is little chance that our participation would do anything more than reinforce the reactionary and bureaucratic and military spirit of the supergovernment of the world called the League of Nations.

If all the perspiration and expense indulged in on behalf of this court had the slightest iota of sincerity back of it, it would have been clear that we have in the The Hague arbitration tribunal, founded in 1899 and 1907, all that would be necessary for the settlement of such disputes. And any other reasonable alternative could have been found. But no, it had to be this court, the league court! They said they wanted to stop war, and the way to do it was to adhere to the court created and supported by the League of Nations. Just how far could this court be used as an instrument for the prevention of war? In the CONGRESSIONAL RECORD for December 19 that point is thoroughly covered by a colloquy between Senator REED of Missouri and Senator WALSH, of Montana. I quote verbatim from the record of that debate:

"Mr. REED of Missouri. Would the Senator be willing to submit the Monroe doctrine to this court?

"Mr. WALSH. Mr. President, I would not submit the Monroe doctrine to the court, and we are under no obligation to submit the Monroe doctrine to the court. * * *

"Mr. REED of Missouri. Then we can not expect Great Britain to submit to this World Court her similar policies, which have to do with her zones of influence throughout the world.

"Mr. WALSH. The Monroe doctrine is not a legal question that would go to the court at all; neither is Great Britain's policy of imperialism a question which would go to the court. * * *

"Mr. REED of Missouri. Then we can say the same thing with reference to the policies of France the same thing with reference to the policies of Russia, and the same thing with reference to the policies of all the rest of them.

"Mr. WALSH. No question of policy goes before the court.

"Mr. REED of Missouri. So we have now eliminated from the consideration of the court every question that is really likely to involve a country in war; for it is only over those great questions that the world goes to war.

"Mr. WALSH. I stated in the first address I made to the Senate substantially the same thing——

"Mr. REED of Missouri. Very well; I thank the Senator.

"Mr. WALSH. I stated that the great international controversies likely to precipitate war are not legal controversies. They are political controversies and do not go before the court at all.

"Mr. REED of Missouri. Exactly so. I say now we have the actual nature of your court, which the propagandists have been telling the world will settle all human disputes, usher in the millennium, and paint the skies of the future with all the rosy dawn tints of the glorious day when God will reign on earth. We have got down now to the admission that not a single question which really will involve the world in war is to go before the world court."

There is the whole thing in a nutshell. That explains the futility of this court as an instrument for the prevention of war. As a matter of fact it is not intended to accomplish anything of the kind. That is what they tell the American people in order to get America to adhere. What, then, is the business of this court? Why, my friends, it is a part of the European system of supergovernment of the world, called the League of Nations. It is as much a part of the supergovernment system, called the League of Nations, as the Supreme Court of the United States is a part of the American system of government. Being a part of that system it must necessarily carry out its part in furthering the proposes for which that system was created, which is, to maintain the status quo to throw the mantle of legality over it and to sanctify the treaty of Versailles and subsequent treaties and to hold that treaties signed by conquered nations at the point of the bayonet are legal and binding, according to international law, and that loot acquired under such treaties has been legally acquired.

The law of conquest is a part of international law. According to this law territory belongs to any nation that has the power to take and keep it. That is the law of the wolf pack, but it is international law, and this is the law that this Court is to sanctify by its decisions. It is part of the system which includes a military alliance controlled and dominated by the larger governments of the world. It is part of the organization of governments which have agreed to carry on war against any nation that refuses to bow to the will of this superdictatorship of the world.

A few minutes ago, I referred to the strange substitution at the last moment of a resolution containing reservations that the Senate had never discussed. It seems that the administration and their Democratic coalitionists found out at the last moment that they were liable to be exposed to sharp criticism from some unexpected quarters; it was quite evident they found their position untenable. It became apparent that the American people were beginning to learn what this proposition really was. It is quite possible they also began to surmise that the resolution and the Harding-Hughes-Coolidge reservations were not in fact what propagandist organizations had induced them to believe. So they ditched the Harding-Hughes-Coolidge reservations and looked about hither and yon for advice as to where they could find new reservations. It was an ignoble performance and incredible in its revelation of the utter lack of broad and independent statesmenlike leaders in our national political life.

But with neither set of reservations did the administration take the trouble to find out how the other countries concerned would receive them. Now while certain governments want us in the league, there are a number of other countries which do not happen to owe us money, and are consequently rather more independent. I have in mind several countries, one of them a great power, that could, and that are not at all unlikely to express themselves with entire frankness on our reservations. Why should other countries consider our reservations binding on them, if their interests collide with ours? I counseled the administration to find out beforehand what the other countries would say about our reservations in my speech of January 13.

I opened my remarks by an appeal to you in the name of the central principle of our Government. I shall close them in its name, asking you to give serious and consecutive thought to the means whereby you can redeem the control of foreign policy from those whose heart is more bound up with vast financial stakes they have acquired in Europe and European colonies and dominions than in steadfast fidelity to our traditions and interests. It is for each of you to think how he may best achieve this redemption. He must question candidates for public office and scrutinize their records; he must act when he has decided. Above all, he must watch the course of events and seek to keep under very careful scrutiny at all times the foreign policy of the administration. He must be willing to voice his opinion and let his Representatives in Washington hear from him promptly and with precise comment. In these days, when foreign lecturers and domestic propagandists have overrun Washington, some contact of this kind with the voters at home is of very real help to a Member of the Senate and the House. We often hear from constituents about their troubles; we seldom hear from them about the state of the Nation as a whole.

It is a critical moment in the life of the Republic. Indeed, it is a period when the question is in the balance whether it will remain a

Republic or become an autocracy bolstered up by bureaucracy and international finance. I am more deeply disturbed about the extent to which men let self-interest come before the Nation's safety than by anything else. I do not refer to mere apathy and cynical indifference to every issue except lower taxes and light wines and beer. I refer to the fact that the people of the country remain apparently supine while their control over their policies and the very structure of their Government is being sapped away; and their failure to prevent it, whether due to indifference or to willingness to sell liberty for a temporary and illusory prosperity, is contaminating their Representatives, for it is a great truth that a country gets no better government, as a long-run proposition, than it deserves, and that those at the top of a people reflect, more or less, the same level of disinterested loyalty and devotion to duty of the people taken as a whole.

My friends, am I unreasonable when I say that if you lose your liberties you will have no ground to lay the blame at the doors of the men in the Senate who fought to preserve for you and your children the heritage of political self-government at home, and political amity with all nations but obligations to none, which Washington and Lincoln and Cleveland bequeathed to us? We have done our best to stem the tide of financial interest and bureaucratic aggression from sweeping over your constitutional liberties, and we have sought to check the seizure and misuse of the international policies of your Government. If the unprecedented and unwarranted resort to cloture had not arbitrarily terminated the debate before we even had information of an elementary sort, we might have won the battle. As it was, an ocean of propaganda and a series of sharp practices gave the administration and the Wilsonian avengers a sort of left-handed victory. There was nothing else for us to do but appeal to the country. This we do, feeling that if our strength holds out we can reach the people as a whole, or enough of them to make the great issue of "Democracy and Constitution" a genuinely live issue for which the people will fight themselves. Democracy and Constitution are the two words I leave with you, and with them constantly before your minds in every aspect, I bid you go forth like the venerable and heroic apostle of Ireland, St. Patrick, and drive from your country's soil the viper of imperialism and the serpent of bureaucracy, masquerading as the agencies of law and order and international peace!

### FLORENCE PROUD

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2091) for the relief of Florence Proud, which was, on page 1, line 5, after the word "appropriated" to insert "and in full settlement against the Government."

Mr. SHORTRIDGE. I move that the Senate concur in the House amendment.

The motion was agreed to.

### BILL OF RIGHTS CELEBRATION AT WILLIAMSBURG, VA.

The VICE PRESIDENT. In accordance with the provisions of House Concurrent Resolution 22, agreed to by the Senate on the 19th instant, the Chair appoints the Senator from Virginia [Mr. SWANSON], the Senator from Idaho [Mr. BORAH], the Senator from Virginia [Mr. GLASS], the Senator from Connecticut [Mr. BINGHAM], and the Senator from Maryland [Mr. BRUCE] as the members on the part of the Senate of the joint committee to attend the celebration of the one hundred and fiftieth anniversary of the adoption of the so-called Virginia Bill of Rights, to be held at Williamsburg, Va., on June 12, 1926.

### HOUSE BILLS AND JOINT RESOLUTION REFERRED

The following bills and joint resolution were severally read twice by title and referred as indicated below:

H. R. 8715. An act to authorize the Secretary of Agriculture to extend and renew for the term of 10 years a lease to the Chicago, Milwaukee & St. Paul Railway Co. of a tract of land in the United States Department of Agriculture Range Livestock Experiment Station, in the State of Montana, and for a right of way to said tract, for the removal of gravel and ballast material, executed under the authority of the act of Congress approved June 28, 1916; to the Committee on Agriculture and Forestry.

H. R. 11446. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; to the Committee on Pensions.

H. R. 1580. An act authorizing the Secretary of the Interior to sell and patent to David A. Vincent certain lands in Oklahoma;

H. R. 6615. An act for the relief of Nohle-Gilbertson Co., a corporation, of Buford, N. Dak.; and

H. R. 9274. An act to release and quitclaim title of certain lands to Holyman Battle and his successors in interest; to the Committee on Public Lands and Surveys.

H. R. 2166. An act for the relief of Anthony Mullen;

H. R. 2491. An act for the relief of Gordan A. Dennis;

H. R. 2906. An act for the relief of Emile Genireux;

H. R. 3064. An act for the relief of Richard H. Beier;

H. R. 3382. An act for the relief of Louis Martin;

H. R. 3625. An act for the relief of John Doyle, alias John Geary;

H. R. 4119. An act for the relief of Edward R. Ledwell;

H. R. 4189. An act for the relief of the Chamber of Commerce of Montgomery, Ala., Jack Thorington, and 39 others;

H. R. 4325. An act to revoke and set aside a discharge without honor, issued to Wade W. Barber, Bancroft, Nebr., October 28, 1899;

H. R. 5293. An act to authorize the President, by and with the advise and consent of the Senate, to appoint Capt. George E. Kraul a captain of Infantry, with rank from July 1, 1920;

H. R. 5486. An act for the relief of Levi Wright;

H. R. 6418. An act to correct the military record of Lester A. Rockwell; and

H. R. 8766. An act for the relief of Edward J. Boyle; to the Committee on Military Affairs.

H. R. 531. An act for the relief of John A. Bingham;

H. R. 815. An act for the relief of O. H. Lipps;

H. R. 894. An act granting jurisdiction to the Court of Claims of the United States;

H. R. 965. An act for the relief of C. B. Wells;

H. R. 1465. An act for the relief of Arthur F. Swanson, and for other purposes;

H. R. 1828. An act for the relief of J. M. Holladay;

H. R. 1961. An act for the relief of B. G. Oosterbaan;

H. R. 2184. An act for the relief of James Gaynor;

H. R. 2209. An act for the relief of C. T. Kitchen;

H. R. 2210. An act for the relief of R. E. Neumann and wife;

H. R. 2333. An act for the relief of Katherine Rorison;

H. R. 2635. An act for the relief of Mrs. W. H. ReMine;

H. R. 2680. An act for the relief of the estate of Charles M. Underwood;

H. R. 2715. An act for the relief of the widow of W. J. S. Stewart;

H. R. 2724. An act for the relief of A. S. Guffey;

H. R. 2892. An act for the relief of Kenneth A. Rotharmel;

H. R. 2993. An act for the relief of Harry McNeil;

H. R. 2994. An act for the relief of Harry J. Dabel;

H. R. 3253. An act for the relief of Lieut. Commander Garnet Hulings, United States Navy;

H. R. 3278. An act for the relief of A. S. Rosenthal Co.;

H. R. 4117. An act for the relief of J. Walter Payne;

H. R. 4124. An act for the relief of the State Bank & Trust Co. of Fayetteville, Tenn.;

H. R. 4158. An act for the relief of Sophie J. Rice;

H. R. 4902. An act for the relief of Washington County, Ohio, S. C. Kile estate, and Malinda Frye estate;

H. R. 5063. An act for the relief of P. H. Donlon;

H. R. 5341. An act for the relief of Ruphina M. Armentrout;

H. R. 5441. An act for the relief of Geraldine Kester;

H. R. 6003. An act for the relief of Charles B. Beck;

H. R. 6080. An act for the relief of J. M. Hedrick;

H. R. 6466. An act for the relief of Edward C. Roser;

H. R. 6696. An act for the relief of Edward J. O'Rourke, as guardian of Katie I. O'Rourke;

H. R. 7027. An act for the relief of J. B. Elliott;

H. R. 7134. An act for the relief of Henry T. Hill;

H. R. 7617. An act to authorize payment to the Pennsylvania Railroad Co., a corporation, for damage to its rolling stock at Raritan Arsenal, Metuchen, N. J., on August 16, 1922;

H. R. 7776. An act for the reimbursement of Emma Pulliam;

H. R. 7809. An act for the relief of H. H. Hinton;

H. R. 7943. An act for the relief of Mrs. G. A. Guenther, mother of the late Gordon Guenther, ensign, United States Naval Air Corps;

H. R. 8794. An act to credit the accounts of W. W. House, special disbursing agent, Department of Labor;

H. R. 8846. An act for the relief of Cyrus Durey;

H. R. 8896. An act for the relief of Enriqueta Koch v de Jeanneret;

H. R. 9035. An act for the payment of claims for damages to and loss of property, personal injuries, and for other purposes incident to the operation of the Army;

H. R. 9775. An act for the relief of Sherman Miles; and

H. J. Res. 98. Joint resolution for the relief of R. S. Howard Co.; to the Committee on Claims.

### PRINTING OF THE MADISON DEBATES

The concurrent resolution (H. Con. Res. 23) authorizing the printing of the Madison Debates of the Federal Convention and

relevant documents in commemoration of the one hundred and fiftieth anniversary of the Declaration of Independence was referred to the Committee on Printing.

RECESS

Mr. SMOOT. I move that the Senate take a recess until 12 o'clock on Monday.

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate took a recess until Monday, April 26, 1926, at 12 o'clock meridian.

## HOUSE OF REPRESENTATIVES

### SUNDAY, *April 25, 1926*

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCLAUGHLIN of Michigan.

In the absence of the Chaplain, Rev. Dr. Joseph Dawson, of the American University, offered the following prayer:

Our heavenly Father, we come to Thee for comfort in times of sorrow. Thou wilt supply all of our needs and give us grace to bear the heavy burdens of life. The powers of body, mind, and soul come from Thee, and we give them back in service to our country and humanity. We bless Thee for the life of the one whose memory and services we revere to-day. The noble ideals of this life will abide with his coworkers in Congress and the people he represented here. Grant Thy grace in this time of need to the family bereaved, and may they feel that Thou, O Christ, art all they want, more than all in Thee they find. In days of loneliness do Thou, O God, be their companion. May Thy word be hid in the hearts of those who sorrow, assuring them that "In my Father's House are many mansions," and the Christ who spoke these words will at last receive all his followers. We pray for those who remain to carry on the work Thy servant has laid down. May they be guided by those principles of righteousness and patriotism that characterized the life of the one whose works will follow him, so that he being dead may yet speak by his influence and deeds of love to his country. Amen.

The SPEAKER pro tempore. Without objection, the reading of the Journal of the proceedings of Friday, April 23, 1926, will be postponed.

There was no objection.

The SPEAKER pro tempore. The Clerk will report the special order of the day.

THE LATE HON. ARTHUR B. WILLIAMS

The Clerk read as follows:

On motion of Mr. MCLAUGHLIN of Michigan, by unanimous consent—

*Ordered*, That Sunday, April 25, 1926, at 12 o'clock meridian, be set apart for memorial services on the life, character, and public services of the late Hon. ARTHUR B. WILLIAMS.

Mr. HOOPER. Mr. Speaker, I offer the following resolutions concerning our deceased colleague.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 236

*Resolved*, That the business of the House be now suspended that opportunity may be given for tributes to the memory of Hon. ARTHUR B. WILLIAMS, late a Member of this House from the State of Michigan.

*Resolved*, That as a particular mark of respect to the memory of the deceased and in recognition of his distinguished public career the House, at the conclusion of these exercises, shall stand adjourned.

*Resolved*, That the Clerk communicate these resolutions to the Senate.

*Resolved*, That the Clerk send a copy of these resolutions to the family of the deceased.

The SPEAKER pro tempore. The question is on agreeing to the resolutions.

The resolutions were unanimously agreed to.

The SPEAKER pro tempore. The gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Speaker, the third congressional district of Michigan in a few days less than four years lost by death three successive Members of the House of Representatives: William Frankhauser, whose death occurred on May 9, 1921, before taking the oath of office; John M. C. Smith, who died March 30, 1923; and ARTHUR B. WILLIAMS, whose death occurred May 1, 1925. I dare say that this is a record of fatality seldom, if ever, paralleled by any other single congressional district in the history of the Congress.

Three former Members of Congress lie buried in the beautiful country cemetery just outside the limits of the city of Charlotte, Mich.: Edward Samuel Lacey, who served as a Member of the House of Representatives from 1881 to 1885 and was afterwards Comptroller of the Currency; John M. C. Smith, who served from 1911 to 1923; and ARTHUR B. WILLIAMS, who served from June 19, 1923, until his death, all three, at one time or another, having been residents of Charlotte and highly honored and respected by the citizens of that community.

ARTHUR BRUCE WILLIAMS was born January 27, 1872, at Ashland, Ohio, the son of A. M. and Almira E. Williams, and died early in the morning of May 1, 1925, at Johns Hopkins Hospital, Baltimore, Md., where he had gone for an operation and after he was apparently well on the way to recovery.

When Mr. WILLIAMS was 5 years of age the family moved to Michigan, locating on a farm in the township of Brookfield, Eaton County, where he grew up in daily contact with the hard routine of work which was the common lot of the farm boy of the day. He attended the country school and the city schools at Charlotte and afterwards entered Olivet College, where he graduated in the class of 1892 at the early age of 20.

After graduating from Olivet, Mr. WILLIAMS studied law in the office of our former colleague, Hon. John M. C. Smith, at Charlotte, but upon being admitted to practice he located in the adjoining city of Battle Creek, where he continued to live until his death. In 1897 he married Miss Sue M. Wilson, of Charlotte, who survives him.

It was a distinct pleasure and privilege to me to have enjoyed his acquaintance and friendship from early boyhood and to have been more closely associated with him as a Member of the House of Representatives. I knew Mr. WILLIAMS in college, and upon his graduation kept watch of his career with that admiration and interest which an underclassman often has for his seniors in college. From the time of his admission to the bar Mr. WILLIAMS's career was one of constant and progressive success and advancement, and in a few years he was recognized as a leader in his profession in his county and in that section of the State. He was for many years the personal attorney and confidential adviser of Mr. C. W. Post, the organizer of the Postum Cereal Co., and until his death its dominating force. Mr. WILLIAMS was also the general counsel of the corporation and later one of its vice presidents and general managers.

I heard the story many years ago that Mr. WILLIAMS's first acquaintance with Mr. Post came about through a retainer which came to him as a young lawyer to prosecute and collect a claim against Mr. Post. The story was that he made such a favorable impression upon Mr. Post in the handling of that claim, which he prosecuted to a successful conclusion, that soon thereafter Mr. Post retained him as his personal attorney and as the general counsel of the Postum Co.

It is not given to many to make a success in life in more than one calling, but Mr. WILLIAMS made a distinct success in three widely different activities of life. While engaged in the active practice of the law he was a leading lawyer, afterwards a successful and prosperous business man, and, after retiring from business, a distinguished Member of the House of Representatives.

Mr. WILLIAMS was elected to Congress at a special election on June 19, 1923, to fill out the unexpired term of our former colleague, Mr. Smith. He was attracted to public service and, having shortly before withdrawn from the more active participation and management of the affairs of the Postum Co. and his other business activities, he was in a position to devote his time and his talents to it. His friends and the people of the State generally looked upon his election as a distinct asset to Congress. Business people especially were greatly pleased with his election on account of his large business experience and wide acquaintance with business men. At one time he was president of the Michigan Manufacturers' Association. His professional and business experience, together with his character and ability, made him unusually well equipped for valuable and distinguished service in this body. He entered upon his duties here with the same enthusiasm, industry, and ability that had characterized his work in other fields and was soon recognized as one of the abler and more promising Members of the House.

He was assigned to membership on the important Committees on Banking and Currency, on Public Lands, on Roads, and on War Claims, and from the start took an active part in the work of the committees to which he had been assigned both in the committee room and on the floor of the House in the consideration of the bills reported by the committees of which he was a member.

He represented an agricultural district and his interest in the agricultural problem and his desire to do something constructive and helpful toward the solution of that problem led